

# THE ROUND TABLE

A QUARTERLY REVIEW OF  
THE POLITICS OF THE BRITISH EMPIRE

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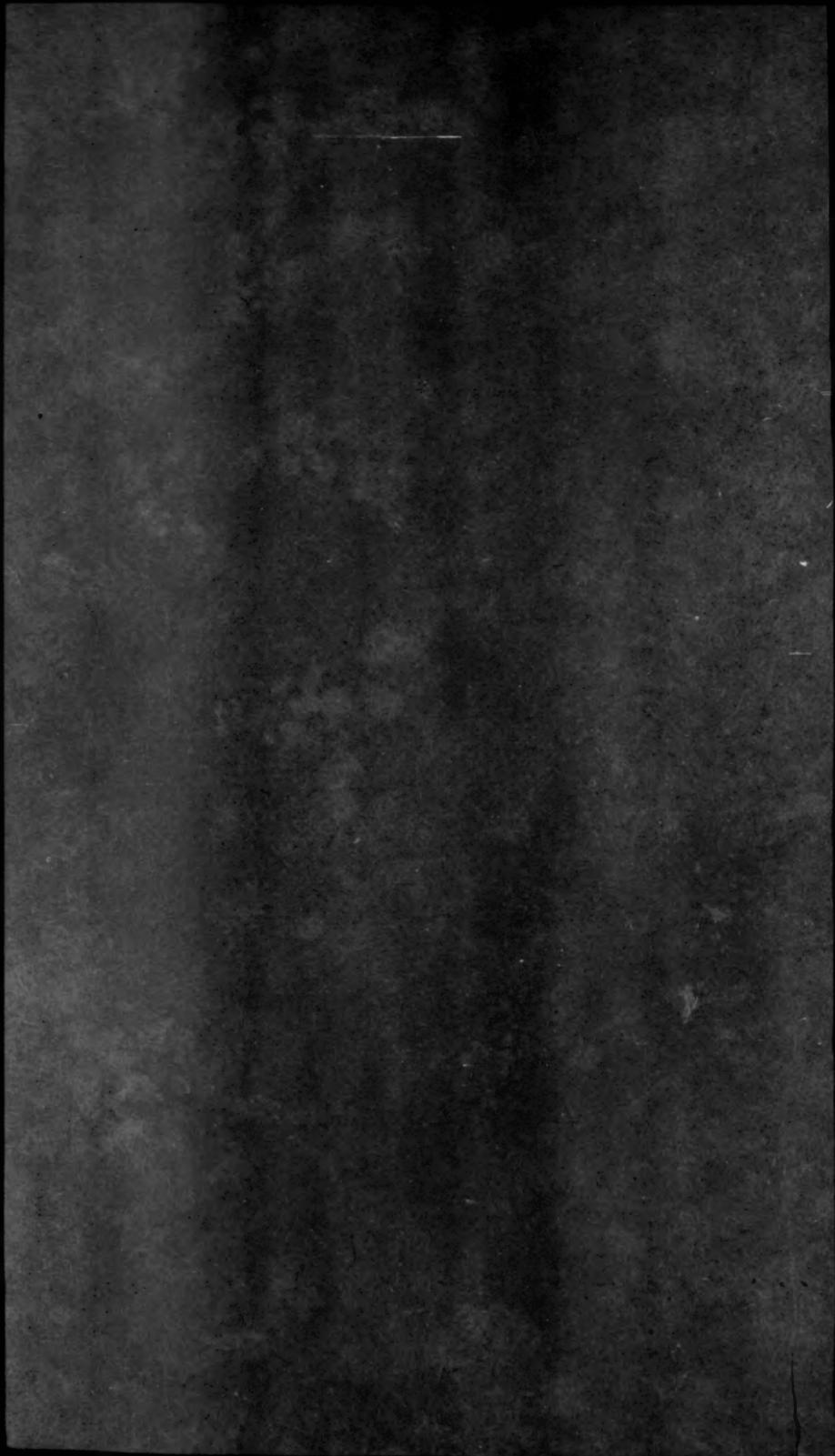
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MARCH · MCMXIII      Price 2/6

N° 10

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## POLICY AND SEA POWER

TWO main developments have, during the last few years, marked the relations of Great Britain and the British Empire to the outside world, first, the growing pressure of foreign nations upon the structure of that Empire, and, secondly, and directly caused thereby, the rapid growth in the naval organization of the Dominions. The growth of naval forces in general, and of the German fleet in particular, is subjecting England to a strain which she has not felt since the Napoleonic era, and this at a time of profound international unrest. England has lately been more than once in imminent danger of war, and over controversies in which it may have seemed that the Empire had but the slightest of direct interests. It is this external pressure and danger, coupled in the case of Australia with the fear of China and Japan, that has brought to a head the question of what aid the Dominions should give in the common task of defending the Empire, and what form that aid should take. And this question, once raised, is already in turn bringing another even greater problem on to the stage. For as a direct result the Dominions are already claiming to influence, if not to share in, the control of British foreign policy.

How such control is to be exercised, and whether machinery of government can be devised which will satisfy both the United Kingdom and the Dominions, is the great question of the future. The present article will not attempt to answer it. But it is an opportune moment to state the problem, drawing in broad lines the principles of British foreign policy and of Imperial defence, the difficulties,

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constitutional and strategic, raised by the co-operation of the Dominions, and the present necessity for a clearer mutual understanding between the Admiralty and the Dominion Governments.

### I

IT is often supposed by the man in the street, not only in Great Britain but still more in the Dominions, that it is quite unnecessary for a country situated as is Great Britain to have a definite foreign policy at all. He imagines that the British Government can avoid trouble by the simple process of keeping out of "the vortex of militarism" and minding its own affairs. All diplomatists, he thinks, are playing a game of bluff and making difficulties where no difficulties really exist; he believes that diplomacy is suited only to obsolete aristocratic governments and to the outworn ideas of the eighteenth century, and that such puerilities should be discarded by democracy. He may, sometimes, be right about diplomatists, but he is certainly wrong about diplomacy. If Great Britain were an island in the centre of the Atlantic Ocean with no possessions abutting on those of any other great powers she might manage without a foreign policy. But England is the centre of the largest Empire in the world, and she faces the coasts of Germany and France. How can she ignore these neighbouring nations when an alliance of the German and French fleets would reduce her to the extremest peril? The Western Canadian who thinks that the era of war is over, and who believes in international relations being settled rather by some sort of intangible moral influence than by the influence of guns and rifles, might alter his mood if Vancouver Island were occupied by sixty millions of Japanese with an army of two millions of men and with the second most powerful navy in the world; and the Australian who recommends England

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to keep her freedom and independence by avoiding all entangling alliances in Europe might hesitate to apply his opinions to Australia, were China and Japan as near the shores of Australia as are Germany and France to the shores of Great Britain. Great Britain is, and must always remain, a part of Europe, and so long as in Europe are to be found almost all the most powerful, the most highly organized, and best armed nations in the world, so long will Great Britain, if she is to defend herself and the Empire successfully, be compelled to adopt a definite policy towards them.

A national policy has both its active and its passive sides. On the one hand it may be employed for the achievement of definite national aims, which may include the acquisition of territory, the promotion of trade, or the possession of such power or strategic position as will enable the nation in question to exercise a dominant voice in the solution of the international problems which concern it. On the other hand, it may aim simply at protecting national interests and national existence against the actions of foreign powers over whose policy it has no control. If a nation is expanding and discontented with its lot in the world, its policy is likely to be active and aggressive. If it wishes merely to keep what it has got, its policy will be passive and defensive. In the latter case foreign policy will be determined as much, if not more, by the action of independent foreign powers than by any deliberate design on the part of the national government.

British foreign policy has, as a matter of fact, during the last hundred years been almost wholly defensive. Owing chiefly to the fact that the Imperial Government is responsible for the welfare, safety and progress of about one-quarter of the human race, it has abandoned any idea of expansion; and its policy has been determined far more by the intentions of its neighbours than by any deliberate objective of its own. The elementary principles of British foreign policy are, indeed, easy to lay down. They are simple because Great Britain is an island, the Empire a maritime Empire, and its lines of communication all by sea. It is naval supremacy

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which is the fundamental condition of British existence and governs all British relations with foreign powers. We want nothing in the world except to keep and develop what we already possess. Now British sea supremacy depends partly on the strength of the British fleet, and partly on the British Government being able by means of its policy to prevent any overwhelming combination of sea power against it. In other words, it depends very largely on maintaining as equal a balance as possible between the great powers in Europe. For four hundred years to maintain that balance has been the traditional policy of Great Britain. Bishop Stubbs, one of the greatest of English historians, wrote:

The balance of power, however defined, that is, whatever the powers between which it is necessary to maintain an equilibrium such that the weaker should not be crushed by the stronger, is the principle which gives unity to the plot of modern European history. It is the foremost idea of the three centuries, 1500 to 1800. Whatever the drama, this is the key to the plot.

Great Britain is a small island and depends for security on her position in the narrow seas. She has at all costs to prevent such an accumulation of strength in the hands of any single continental power or group of powers as would enable it to concentrate superior naval strength against her, and thereby bridge the seas. In the past Philip II of Spain, Louis XIV of France and Napoleon have successively threatened Great Britain's island position, and have successively failed. In all great crises Great Britain has inevitably been led to pursue the same policy. Being an island, she tries to maintain herself as free as possible from European alliances and she throws her weight on that side which will, as far as possible, maintain the European equilibrium. Exactly the same necessity confronts Great Britain to-day, and in conditions which menace her even more seriously than before, for not only have her responsibilities throughout the world immensely increased since the days of Napoleon, but she is herself more vulnerable than before. She is more

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dependent on the outside world for her raw materials and supplies, and the growth of invention and particularly of rapid transport facilities has laid her more easily open to invasion.

The method which Great Britain has chosen during the last few years in the European sphere in pursuance of her policy of maintaining the balance of power has been to range herself on the side of France and Russia in the Triple Entente against Germany, Austria and Italy united in the Triple Alliance. The policy of the Triple Entente has, in the main, been forced upon her as a result of the formation of the German Union of 1870, and the effects which it produced both on the German peoples and their neighbours. It was Bismarck's object, after the exhaustion of the wars of 1864, 1866 and 1870, to keep Germany at peace in order that she might repair the material losses she had incurred and build up her national industries and strength. Standing alone, Germany was in a very weak position. On all sides she was surrounded by enemies. To have maintained armies on all her frontiers would have entailed an almost intolerable burden. Yet she could not effect any permanent reconciliation either with Russia or with France. Bismarck accordingly turned to Austria, and in 1879 contracted an Austro-German Alliance, the main object of which was to guarantee the security of their common frontier without cost to either, and to create a nucleus of force in central Europe which would be capable of resisting a combined attack from Russia and France. Partly in order to secure Austria against war with Italy, partly in order to divert a certain portion of the French troops to the Italian frontier, Italy was, in 1883, included in the Alliance. The chief reason which impelled each power to enter the Alliance was the desire for security and peace, and though there were other motives, e.g. Italian indignation against France for the annexation of Tunis in 1881, the Triple Alliance has endured because it has given its members security, partly as against one another and partly in combination against outside enemies.

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So long as Bismarck was in power it provoked little hostility from the rest of Europe. But after his fall in 1890 the extraordinary increase in German prosperity and strength and the accession to power of a restless expansionist party, headed by the young Emperor, brought a change. No longer satisfied with the position of chief military power in Europe, Germany, with natural ambition, aspired to become a world power, and as a first stage to this end began to create a navy. The story of this phase of German policy is familiar. It begins with the German Emperor's telegram to President Kruger, continues with the rejection of Sir Henry Campbell-Bannerman's overtures for disarmament at the Hague Conference of 1907, and ends at present with the passage of the 1912 Navy Bill. German aspirations were greatly facilitated on the one hand by the declining vigour of France, owing, first, to the relative decrease in her population, and, further, to internal dissensions, notably the Dreyfus case, which destroyed *morale* in the army, and the anti-clerical propaganda, and, on the other hand, by the defeat of Russia in the Far East. But already by 1904, before the Russian defeat, opinion both in France and England had become profoundly stirred by the development of German armaments and ambitions, and in the cause of mutual defence a *rapprochement* between the two took place. Three or four years later the Anglo-Russian Convention, dealing with Tibet, Afghanistan and Persia, was concluded, and the Triple Entente came into being.

The Triple Entente is an understanding and not an alliance. Between France and Russia there is, of course, a definite alliance, the terms of which are secret. But, so far as England is concerned, her written obligations are contained in the respective agreements with France and Russia, both of which are public. There are no secret engagements. That has been stated categorically by Sir Edward Grey. But, while Great Britain's obligations are undefined, none the less they exist. Foreign policy does not rest wholly upon written engagements. It is well understood that in the balance of

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power Great Britain stands on the side of France and Russia, and that, so long as those powers pursue neither a provocative nor an aggressive policy, she will aid them in any diplomatic struggle which may arise.

The motives for the Triple Entente are identical with the motives which brought about and have maintained the Triple Alliance. In the first place its object is to protect the parties to it against the possibility of successful attack by their neighbours. For this purpose it is necessary for them, in combination, to have a preponderance of power for defence, if not for offence. European peace depends on the maintenance of a balance of power in the sense of the existence of two groups of such equal strength that attack by either on the other involves a serious risk of defeat. From time to time this balance of power has been maintained on the continent of Europe itself, and England has been able to stand on one side in the happy position of being able to throw her fleet and army as a decisive factor into the balance in times of crisis. Unfortunately, as Sir Edward Grey has pointed out, this age is not one for splendid isolation. Owing to the defeat of Russia in 1905, the decline of France and the immense growth in the German navy, England, in the last few years, has found it necessary to step down into the arena in order that a balance may be maintained at all.

If England had remained wholly aloof, France might well have had either to adopt an attitude of neutrality towards German designs and leave England to meet the whole strength of the Triple Alliance in the North Sea and the Mediterranean, or else come to terms with Germany and become an active supporter of her policy in return for a share of the spoils. The effect of the Anglo-French understanding is well shown by contrasting the position of France in 1905, when an ultimatum from Berlin forced the resignation of M. Delcassé, the French Foreign Minister, as a guarantee that she would change her policy in Morocco, and her position in 1911, when, after an act of equal aggression at Agadir, Germany was forced to withdraw and suffer

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a diplomatic defeat, because she was not ready or strong enough to face certain war with Russia, France and England, if she persisted in her demands.

But the cause of the Entente is not simply the necessity to the British Empire of the maintenance of the balance of power. There is a second and scarcely less important reason. Just as Germany, Austria and Italy have combined in the Triple Alliance in order to save themselves from having to resist diplomatic pressure from one another and to avoid having to make immense military and naval preparations against one another, so a potent argument for the Triple Entente has been that the diplomatic friendship it has entailed with France and Russia has enabled the British Government to settle amicably long-standing disputes with both, and to refrain from preparing to defend British interests against attack, where they touch French and Russian interests. The first fruits of the *rapprochement* between France and England, caused by the common fear of Germany, was the settlement of the long-continued, acrimonious and dangerous disputes between the two countries in North Africa. France gave England a free hand in Egypt and the Sudan; England agreed to give France a free hand in Morocco. Fashoda incidents immediately became impossible, and frontiers were amicably delimited which had previously given rise to bitter disputes. Similarly the first fruits of the *rapprochement* with Russia were the agreements of 1907, which relieved Great Britain of her anxiety about a Russian advance in Tibet, Afghanistan and Persia. For internal reasons the Persian agreement has not fulfilled expectations. The incompetence of the Persians and the chaos which has ensued since the establishment of what is called the constitutional régime, have compelled continuous interference in Persian affairs both by the Russians and the British. Nobody disputes that this interference would have been equally necessary whether Russia and England had been united in an entente or had been suspicious enemies, as they were at the end of last century. But the fact that they

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were in agreement has prevented the Persian question from being a source not only of grave international anxiety, but of immense expense to the United Kingdom and to India. So far as Russia is concerned, the British Empire has not had to station a man or spend a sovereign in Persia to defend British interests. If the day comes when Russia and England are no longer friends, nothing save diplomatic pressure or the dispatch of large naval and military forces to the neighbourhood of the Persian Gulf can prevent the former from moving her frontier further south. Moreover, our agreement with Russia has the additional benefit of enabling us to exercise a great deal of restraint upon Russia in the Far East in her relations with China and Japan. Agreements of this nature may not be wholly satisfactory, but at least they free us from an immense additional burden for defence at a time when British resources are strained to the utmost to meet the situation in the North Sea.

The foregoing analysis will serve to show that the basis of British foreign policy in the European theatre is an understanding with Russia and France, designed primarily to protect the British Empire against any immediate attack from the central European powers or against such developments of the European situation as would enable those powers in future to dominate France and consequently bring irresistible pressure to bear upon Great Britain; and, secondarily, to save Great Britain from the expensive and dangerous consequences of the hostility of France in Africa and the hostility of Russia in the Middle and Far East. There are obvious objections to this policy. It brings with it undefined liabilities, which in a crisis may become exceedingly heavy. But no alternative has yet been put forward. The balance of power in Europe, it is true, may shift and may necessitate an alteration in British policy. But until the whole world is very different from what it is now, that will merely mean that England will have to shift her weight from one side of the balance to the other. Just as the expansion of Germany has in the last few years brought with it

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a great change in British policy, so it is conceivable that a great growth in Russian power might some day in the future bring another change. The only alternative to such European understandings is to create an Imperial navy and an Imperial army sufficient to enable us to protect by force all our frontiers and to meet any possible combination of powers both on land and sea.

But Europe, although vastly the most important, is not the only sphere in which England needs to have a foreign policy. By her European policy she essays to safeguard her own shores, her Atlantic and Mediterranean trade routes and her passage to India through the Straits of Gibraltar and the Suez Canal. She must in addition have a Pacific policy for the protection of her immense trade interests there and, much more important still, for the security of Australia and New Zealand as well as India and the Malay States; she must prevent the rise of any naval power in the Indian Ocean or the Persian Gulf; she must hold the great naval base at the Cape; and finally she must maintain friendly relations with the American States, both north and south.

There is no reason to suppose that this last task need be a difficult one, or that England and the American powers need come into conflict. If the remaining spheres are examined it will be seen that the prevention of any foreign fleet from appearing in the Indian Ocean depends upon the success of England's policy in Europe and the Far East. If the Triple Alliance were to hold the Mediterranean, Russia the Persian Gulf, or Japan Singapore, then the position of England in India would be immensely more precarious. Her European policy is aimed at preventing the two former developments, while the object of her Far Eastern policy is to prevent any such development as the latter, or more broadly stated, to maintain the *status quo*.

There is only one naval power in the Far East besides Great Britain, and that is Japan. There are, therefore, two alternatives before her. She may either enter into an alliance with Japan which will guarantee that that power

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does not act contrary to her interests, or she may maintain such a naval force in Far Eastern waters as will enable her to prevent Japan by compulsion from acting contrary to British interests, supposing at any time she might be tempted to do so. Fortunately the interests of Great Britain and Japan in the Far East more or less coincide. Both powers are anxious for unrestricted trade and both are anxious to maintain the integrity of China. Further, Japan is financially weak and is still almost in a state of convalescence after war. She has her hands full with her own problems and with Korea and Manchuria and is equally anxious that things should remain as they are. An understanding with England secures this end for both countries. In England's case no doubt freedom from any alliance would be the ideal state, but the necessity which she has been under to reduce largely her naval strength in the Far East owing to the pressure of Germany in European waters has put that alternative out of the question. There are disadvantages, it is true, in the Japanese Alliance, just as there are in the Entente, but in the main one may say that it secures Great Britain's position in that part of the world without entailing any great obligations on her part. Since, therefore, the alliance is of mutual value, the present treaty will probably continue to exist, unless Dominion naval strength in the Pacific, coupled with that of Great Britain, is strong enough to free the Empire from any necessity for an alliance at all.

British policy rests, therefore, in the main on the Triple Entente and the Japanese Alliance. It is obvious that in certain circumstances her obligations might involve her in war. If any crisis occurs, such as the Moroccan crisis of 1911 or the Balkan crisis of the present moment, there is no doubt that the French and Russian Governments will inquire of the British Government as to what is its attitude and what help they may expect in the case of conflict. There is no doubt, too, that in such circumstances Great Britain must reply, and must reply in a fairly definite manner, as to the help which she can give, whether on sea or land. If she

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were to become involved the whole power of her fleet would obviously be required in the North Sea, until the decisive engagement had taken place. It is probable in addition that in her own interests she might have to provide as large an expeditionary army as possible, available for service wherever required. This, however, is not the place to discuss what obligations of this nature would be entailed or the adequacy or inadequacy of British preparations for a first-class European war. What is certain is that the European position will compel England to keep both the navy and the expeditionary army in the European sphere, and that in present circumstances there would be few or no spare forces which could be sent to distant portions of the Empire. These facts seriously weaken Imperial policy outside the European area.

Indeed, notwithstanding the entente and the Japanese alliance we need not disguise from ourselves that Great Britain is to-day in a far less favourable position than she was fifteen years ago. In the first place her relative strength is far smaller. To-day Great Britain has built, or is building, thirty-six first-class battleships. There are built, or are building, for other powers ninety-two first-class battleships. In 1895 the position was very different. Great Britain possessed sixty-two first-class battleships and foreign powers one hundred and twenty-three. That is to say, that whereas in 1895 the British fleet was one-half the combined fleets of the rest of the world, to-day it is equal to not much more than one-third. In the second place, necessity has compelled Great Britain to throw the weight of her strength more definitely into the European balance. To revert to the policy of splendid isolation would, in Sir Edward Grey's words,

deprive us of the possibility of having a friend in Europe, and it would result in the other nations of Europe, either by choice or by necessity, being brought into the orbit of a single diplomacy from which we should be excluded. . . . One result would be that in the course of a few years we should be building warships not against a

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two-power standard but probably against the united navies of Europe.

Lastly, the strength of Great Britain outside Europe has seriously declined. She cannot afford to make difficulties which may involve a display of force because the British fleet is of necessity tied to the North Sea.

## II

THESE being the conditions of British foreign policy, what part should the Dominions play in the defence of the Empire and in the determination of that policy? Hitherto no certain answer has been found to that question. The history of the relations between the Dominions and the United Kingdom with regard to defence since the first Colonial Conference of 1887 shows, indeed, a steady development towards co-operation,\* but gives no definite clue as to the ultimate direction it will take. No final reconciliation has yet been found between the claims of Empire and the claims of national autonomy. In earlier days it was looked upon as axiomatic that, though the Dominions might and even ought to make some contribution, the defence of the Empire and its parts must rest wholly in the hands of the British Government. That stage has, in the case of most of the Dominions, been left behind, because it is becoming more and more inconsistent with the growing claims of colonial nationalism. It has been replaced by a policy of co-operation, though as yet neither the Dominions, as a whole, nor the British Admiralty are clear as to the form their naval aid should take; whether it should be in the direction of creating local navies or of placing their ships with the British fleet.

The relative merits of these alternatives are discussed

\* *THE ROUND TABLE*, September, 1911. "The Empire and the Conference."

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briefly in a later section of this article. What is significant to note here is that, so soon as the Dominions, or some of them, ceased to be contributors and became partners, they were driven, as the Imperial Conference of 1911 showed, to demand a fuller knowledge of, if not some share in, Imperial foreign policy. Although, therefore, there are manifestly the greatest difficulties in any division of authority over policy, from which, as experience will show, defence cannot be dissociated, here, too, old ideas are breaking down and demands inconsistent with the existing organization of the Empire are being made. Is the same road to be followed in the case of foreign policy as in that of defence? Is a Dominion which has a local navy of its own to have a foreign policy of its own too? And in that case will the Empire remain an Empire at all except in form? Even if an Empire can have several fleets more or less independent of each other, can it have several foreign policies? These questions are already coming to the fore, and sooner or later they will have to be answered. If it is admitted that in the long run there must be one foreign policy only, then the only alternative to undivided control by the British Government is common control by all the self-governing parts of the Empire. Moreover, a single foreign policy, for which all parts of the Empire are responsible, means the equal acceptance by all its citizens of responsibility for its results and, before they accept such a responsibility, the peoples of the Dominions have a long way to travel. Consider the marked difference now in the outlook of a citizen of the United Kingdom as compared with a Canadian, an Australian or a South African. An Englishman knows that if any part of the Empire is attacked, whether it is Canada, or Australia, or South Africa, or India, or Egypt, or West Africa, or the Malay Peninsula, or anywhere else, there is no choice before him. He must defend every part of the Empire; he cannot limit his obligations. He would aid Canadians or Australians or South Africans or New Zealanders to defend themselves against external foes, till he

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had spent his last drop of blood and his last penny. And while the rest of the Empire—that is, what are called the Dependencies—stands on a different footing, it would be only after defeat that he would consent to abandon any part of it. A Canadian or an Australian, on the other hand, feeling that he has no say whatever in policy, does not see why he should be dragged into quarrels for which he has no responsibility. He feels sure that in any crisis he would come to the aid of Great Britain; but there might, he thinks, be all sorts of wars within the Empire, with which he would feel no concern. At present, therefore, he stands for limited liability, whereas the Englishman's liability is unlimited. But it will not be until all the white citizens of the Empire share equally in the responsibility for its maintenance, that they will be equally entitled to the control over its foreign policy. Doubtless it was the perception of this that led Sir Wilfrid Laurier invariably to decline any invitation to share in the determination of policy. Belonging to an earlier period the main impulse which actuated him was to avoid responsibility. But Canada has become a nation and every nation from the very conditions of its being must be responsible, either solely or in partnership with other nations, for its own destiny. Though the perception of this truth may still be dim, the choice before Canada and all the other Dominions is not that between responsibility and irresponsibility, but between responsibility without the Empire, as an independent nation, and responsibility within the Empire shared jointly with the other nations comprising it.

With every development of the naval forces of the Dominions, it will indeed become clearer that there is no escape from liability for the policy which directs the fortunes of the British Empire and its component parts. The very possession of a navy carries with it the status of nationhood. "Navies," as Admiral Mahan has said, "are instruments of international relations." "Their constitution and numbers must reflect a national policy." No sooner had Australia, New Zealand and Canada initiated

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a naval programme than they were forced in the Imperial Conference of 1911 to discuss the question of foreign policy and to begin to share in the responsibility for it. The connection, as Mahan pointed out, between foreign relations and the general question of Imperial defence by navy and army could scarcely have been more signally illustrated. No sooner had the Dominions asserted their right to determine the measures which they were going to take for their own defence and the defence of the Empire than they were brought up against the fact that the preparations which they ought to make depended mainly on the foreign situation and the foreign policy of the Imperial Government, a matter over which they had no control and which they admitted must be in the hands of a single authority.

There is then an inherent instability in the present situation, and for two reasons. In the first place each Dominion will find that it cannot properly determine its measures for defence, whether naval or military, without a clear knowledge of and some control over the policy which these measures are intended to safeguard and support. And in the second place there is no instance yet, and there is hardly likely to be one in the future, of an Anglo-Saxon community, which has arrived at national self-consciousness, being content to allow the control of its destinies to rest wholly and permanently in other hands. Both these reasons will impel the Dominions to demand greater powers over their external relations than they have at present, and it is worth while, therefore, to dwell at some length upon them. For unless some reasonable solution can be found by which joint control over policy is secured, the final end, disastrous to Imperial unity, can only be that each nation will go its own way.

Take the case of Canada first. Canada is now seeking for a "permanent naval policy." In other words, her Government has to decide what shall be the size and nature of her fleet, where her ships shall be stationed and who shall control them. Upon what considerations

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must these decisions rest? Clearly upon the general policy of the British Empire and upon the policy of Canada within it. The problem before Canada, as before the other Dominions, is both general and specific. Her aim, in Mr Borden's words, must be "to increase the effective naval forces of the Empire, to safeguard our shores and our seaborne commerce and to make secure the common heritage of all who owe allegiance to the King." To obtain these ends she must be clear as to what is demanded from her both in the general interests of the Empire and in her own particular interests. It is equally as important to Great Britain, and to the rest of the Empire as it is to Canada, that the problem of Canada's defence should combine these two ends. What are the elements of that problem? Like the United States, Canada faces both the Atlantic and the Pacific oceans, the two greatest oceans of the world. She is already vitally interested in the balance of sea-power in both of them. If Great Britain lost the control of the Atlantic, Canada's destiny would be profoundly affected. In the control of the Pacific is involved her future relations to China and Japan. Moreover, to the south of Canada lie the United States. Canada's naval policy cannot finally be determined without reference to her relations with that country. These relations in return are determined by the relations between the United States and Great Britain. Moreover, Canada's policy must have reference also to "the rapid expansion of Canadian seaborne trade and the immense value of Canadian cargoes always afloat in British and Canadian bottoms."

On the basis of the figures supplied by the Board of Trade to the Imperial Conference of 1911, the annual value of the oversea trade of the Dominion of Canada in 1909-10 was not less than £72,000,000, and the tonnage of Canadian vessels was 718,000 tons, and these proportions have already increased and are still increasing. For the whole of this trade, wherever it may be about the distant waters of the world, as well as for the maintenance of her communications both with Europe and Asia, Canada is dependent and has always

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depended upon the Imperial navy without corresponding contribution or cost.\*

Does all this mean that Canada requires a fleet on her Atlantic sea coast, and, if so, of what size? That appears to depend largely on her own and Great Britain's relations to the United States. Does she require a fleet on her Pacific coast, and, if so, of what size? That again depends partly upon her relations with the United States and partly upon her relations, and still more on those of Great Britain, with Japan, and in the future with China. It depends, in fact, on the policy of the British Empire in the Pacific, and cannot be properly determined without reference to the Japanese alliance, Australian naval policy, the naval policy of the Indian Government and the relation which all these bear to the Canadian position.

On the other hand, sound strategy may make it of more importance to Canada and the British Empire that her help should be given, at any rate at present, in the North Sea and the Mediterranean rather than on her Atlantic and Pacific coasts. In this connexion the conclusion of the Admiralty Memorandum to Canada is significant:

The Prime Minister of the Dominion having inquired in what form any immediate aid that Canada might give would be most effective, we have no hesitation in answering, after a prolonged consideration of all the circumstances, that it is desirable that such aid should include the provision of a certain number of the largest and strongest ships of war which science can build or money supply.

These ships are obviously intended to be stationed, not at Esquimalt or Halifax, but on the coasts of Great Britain. That, indeed, is the conclusion which the Canadian Government has reached. For the moment Canada's policy is to give her aid in the North Sea, and it is in the defence of that sea that the Government of Canada conceives that in present conditions her highest interests lie.

\* Admiralty Memorandum prepared for Government of Canada, December, 1912, Cd. 6513.

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In his speech in the Canadian House of Commons Mr Borden said:

If we should neglect the duty which I conceive we owe to ourselves, and if irreparable disaster should ensue, what will be our future destiny? Obviously as an independent nation or as an important part of the great neighbouring Republic. What then would be our responsibilities, and what would be the burden upon us for a protection on the high seas much less powerful and less effective than that which we enjoy to-day?

Nothing could show more clearly than these words how inextricably Canada's naval policy is interwoven with the foreign policy of Great Britain, in which she has now no share, and with the balance of sea power in Europe and elsewhere. That will be no less the case, if in future Canada's help is given on her Atlantic and Pacific coasts rather than in the North Sea. Defensive measures are simply the outcome of policy. So long as Canada remains within the British Empire her naval policy must be determined largely by the Imperial policy, which dictates the disposition of the other fleets of the Empire.

The problem before Australia—and with Australia one may bracket New Zealand—is in principle the same, though in detail different. Like Canada's, it is general and specific. The destiny of Australia depends both on the supremacy of Great Britain in the North Sea and on the success of Imperial and Australian policy in the Pacific. Australia's policy must as far as possible secure both these ends. From her geographical position, it seems that she can best do so by devoting her whole energies to secure the Empire's position in the Pacific. There appears to be a growing feeling that in the interests of Australia and New Zealand, and possibly also of Canada, the British Empire should be properly represented in the Pacific and should not depend wholly upon the Japanese alliance. It is the menace of Japan and China which has led Australia to take far more active steps for her own naval defence than Canada has hitherto done. At the same time, vigorous as are the measures

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which Australia has taken it may be doubted whether she has yet wholly appreciated the intimate relations between defence and foreign policy. She has determined—and it appears to be unlikely that she will recede from her determination—to have a local navy of her own, a fleet unit as far as possible self-dependent. But, as it will at best be many years before the Australian fleet is capable by itself of defending Australian possessions, its character and size and the method of its employment must obviously depend partly on Imperial policy. The main purpose of Australia's fleet must naturally be to defend Australia and her interests in the Pacific. It must, therefore, obviously bear a relation both to the forces likely to be encountered and to the help which Great Britain and other possible allies may give. It must to some extent be conditional, not only upon such all-important factors as the Anglo-Japanese Alliance, but also upon the strength of the British fleet in Chinese waters, upon the relations of Great Britain to the United States and the policy of the United States as regards the Far Eastern Powers, upon the policy of the Government of India as to the defence of that country and its immense interests in the East and upon the action which Canada may take in equipping a fleet to defend her Pacific interests. All these are matters which sooner or later Australian statesmen must take into account. Though circumstances have prevented the scheme from reaching its fulfilment, it is significant in this connexion to note that in 1909, when the arrangements for the creation of an Australian fleet unit were first determined upon with the Admiralty, it was laid down that "the Australian fleet unit should form part of the Eastern fleet of the Empire, to be composed of similar units of the Royal Navy, to be known as the China and the East Indies units respectively and the Australian unit."\*

Notwithstanding the fact that these questions have never been brought prominently before the Australian public or

\* Defence Conference, 1909. Cd. 4948.

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Australian politicians, they are beginning to be canvassed in that country. As an Australian wrote recently:

We create fleets without in the faintest way arranging what policy they are intended to support. We put the control of the fleet in the hands of one Government which is not intended to deal with policy, and we put the policy in the control of another Government which has no control over the fleet. When and on what contingencies is he (i.e., the Australian Minister for Defence) going to use his armaments? What forces will they have to meet? The control of a fleet involves these questions. Are they to be dealt with by Great Britain? The policy which Britain is conducting in the Pacific finds its expression in the Japanese Alliance. It cannot be said that that altogether coincides with the policy which is the basis of our naval and military preparation. If the time is ripe for armaments in the Pacific, the time is ripe for a policy in the Pacific which takes stock of the forces available, the possible contingencies and the dispositions by which the friendly forces can be made effective. . . . I only raise the matter to suggest that there is an underlying problem which no one is facing at present.

It may be interesting, perhaps, to take a particular case in which, though it may be unlikely, it is yet conceivable that these difficulties might be brought to a head. The Democratic Party in the United States is committed by its policy to extend absolute autonomy, amounting in the opinion of some of its leaders to absolute independence, to the Philippines. Supposing that policy came to a fulfilment and chaos ensued. Would it be a vital interest of the British Empire that Japan should be prevented from occupying the Philippines and restoring order there? If the geographical position of the Philippines is studied on the map, their immense importance in relation to Singapore, and therefore to India, and to Australian and Imperial interests as a whole in the East will be apparent. Probably there is no one who has yet considered such a problem. Yet these are just the questions upon which it is necessary to have a policy. Is Australia prepared to say to the British Government that it would regard such action as a vital matter, and that it would be prepared to bear the financial responsibility for naval preparation sufficient to make the Japanese

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occupation of the Philippines impossible? These are the questions with which Australia and the other Dominions must concern themselves. These and all other questions relating to the control of the Pacific will during the period of adjustment, which is clearly not far distant, be determined by sea power.

South Africa's naval problem is different, but it is no less bound up with Imperial policy in general. South Africa, owing to her dependence on the outside world for her large import trade, owing to her possession in the Cape of Good Hope of one of the most important naval stations in the world, and owing further to her proximity to great German possessions, is equally vitally interested in the maintenance of British sea supremacy. Her policy must be based on a determination to strengthen that supremacy in whatever way she can. It may be that her best course is to strengthen the fighting line in the North Sea, or it may be that she will determine to maintain a local fleet at the Cape. What is clear is that the possession of sea supremacy by the British fleets is vital to her interests, and that her defensive policy must be based on Imperial policy.

It may be noted that, in the words of Lord Gladstone's recent speech from the throne, General Botha's Government "recognize the importance of the naval defence of South Africa and the protection of its maritime trade routes," and "have considered the question of the fuller and more effective co-operation by the Union." Before coming to any decision, "they desire further consultation with the Imperial Government."

It has already been pointed out that in addition to the fact that any Dominion, which has a navy, must have some policy of its own or a knowledge of and share in British policy, there is a second reason of a different nature which will make it imperative for self-governing nations to demand some share in the control of external affairs. There has never yet been a grown-up Anglo-Saxon community which

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has entrusted to another community a vital part of its government. In the words of Mr Borden:

If Canada and the other Dominions of the Empire are to take their part as nations of the Empire in the defence of the Empire as a whole, shall it be that we contributing to the defence of the whole Empire shall have absolutely, as citizens of this country, no voice whatever on the councils of the Empire? I do not think that such would be a tolerable condition; I do not believe that the people of Canada would for one moment submit to such a condition. Shall members of this House of Representatives, men representing 221 constituencies of the country—from the Atlantic to the Pacific—shall no one of them have the same voice with regard to those vast Imperial issues that the humblest taxpayer in the British Isles has at this moment? It does not seem to me that such a condition would make for the integrity of the Empire.

What Mr Borden says of Canada will apply equally to the other Dominions and with greater force, the bigger and stronger they grow. Control of some kind they will have. The question for the future is whether it shall be joint or several.

In an article upon "Canada and the Navy" in *THE ROUND TABLE* of September last it was pointed out that the stage has now been reached when the Dominions must demand and should be given some share in directing the policy of the Empire. It was recognized that any change must be small. It was urged at the same time that in the Committee of Imperial Defence we had a body which could very well be utilized for affording to the Dominion Governments some representation in Imperial Councils and some means of obtaining accurate and consistent knowledge of Imperial policy. Since then an important step in this direction has been taken by the British Government. On December 10, 1912, Mr Harcourt addressed a despatch to all the Dominions on the question of their representation on this body. The matter is sufficiently important to be referred to in some detail, and at the risk of repetition it is necessary to give some account of the nature and functions of the Committee of Imperial Defence and of its possible developments.

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Mr Harcourt points out that the matter arose out of a resolution by Sir Joseph Ward in 1911 asking that the High Commissioners of the Dominions should be summoned to the Committee of Imperial Defence when naval and military matters affecting the oversea Dominions were under consideration. The view of those present was that the presence of ministers responsible to their own colleagues and parliaments was preferable to that of the High Commissioners. The resolutions ultimately passed unanimously were:

(1) That one or more representatives, appointed by the respective Governments of the Dominions, should be invited to attend meetings of the Committee of Imperial Defence when questions of naval and military defence affecting the oversea Dominions are under consideration. (2) The proposal that a Defence Committee should be established in each Dominion is accepted in principle.

The despatch goes on to point out that soon afterwards a change took place in the Canadian Government, and that on Mr Borden's arrival in England he expressed the desire that Canadian and other Dominion ministers who might, under the above resolution, be in London as members of the Committee of Imperial Defence, should receive in confidence knowledge of the policy and proceedings of the Imperial Government in foreign and other affairs. It was pointed out to him that the Committee was a purely advisory body, and "is not and cannot under any circumstances become a body deciding on policy, which is and must remain the sole prerogative of the Cabinet subject to the support of the House of Commons." But at the same time he was assured "that any Dominion minister resident here would have at all times free and full access to the Prime Minister, the Foreign Secretary and the Colonial Secretary for information on all questions of Imperial policy." In a public speech quoted in the despatch Mr Harcourt went further. "I see no obstacle," he said, "and certainly no objection to the Governments of all the Dominions being given at once a larger share in the executive

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direction in matters of defence and in personal consultation and co-operation with individual British ministers whose duty it is to frame policy here." He ends his despatch by asking each Dominion Government whether they desire to adopt some such method as Mr Borden has already accepted, for a more continuous connexion in naval and military affairs with the Committee of Imperial Defence in the United Kingdom.

It may be interesting to compare this despatch, necessarily cautious in its terms, with Mr Borden's account of the Committee. We quote the latter in full, as with the exception of Mr Asquith's speech last year in the House of Commons, it is the only authoritative statement of the working of this new constitutional body. Speaking to the Canadian Parliament Mr Borden said:

I have alluded to the difficulty of finding an acceptable basis upon which the great Dominions co-operating with the Mother Country in defence can receive and assert an adequate voice in the control and moulding of foreign policy. We were brought closely in touch with both subjects when we met the British Ministers in the Committee of Imperial Defence. That Committee is peculiarly constituted; but, in my judgment, it is very effective. It consists of the Prime Minister of Great Britain, and such persons as he may summon to attend it. Practically all the members of the Cabinet from time to time attend its deliberations, and usually the more important members of the Cabinet are present. In addition, naval and military experts and the technical officers of the various departments concerned are in attendance. A very large portion of the work of the committee is carried on by sub-committees, which often are composed in part of persons who are not members of the general committee itself, and who are selected for their special knowledge of the subjects to be considered and reported upon. The amount of work which thus has been performed during the last five or six years in particular is astonishing, and I have no doubt that it has contributed largely to the safety of the whole Empire in time of peril.

The committee is not technically or constitutionally responsible to the House of Commons, and thus it is not supposed to concern itself with policy. As so many important members of the Cabinet are summoned to attend the committee, its conclusions are usually accepted by the Cabinet, and thus command the support of the majority of the House of Commons. While the committee does not

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control policy in any way, and could not undertake to do so, as it is not responsible to Parliament, it is necessarily and constantly obliged to consider foreign policy and foreign relations for the obvious reason that defence, and especially naval defence, is inseparably connected with such considerations.

I am assured by His Majesty's Government that, pending a final solution of the question of voice and influence, they would welcome the presence in London of a Canadian minister during the whole or a portion of each year. Such minister would be regularly summoned to all meetings of the Committee of Imperial Defence and be regarded as one of its permanent members. No important step in foreign policy would be undertaken without consultation with such representative of Canada. This means a very marked advance both from our standpoint and from that of the United Kingdom. It would give us the opportunity of consultation, and therefore influence which we have hitherto not possessed. The conclusions and declarations of Great Britain in respect of foreign relations could not fail to be strengthened by the knowledge that such consultation and co-operation with the overseas Dominions had become an accomplished fact.

It is quite true, as Mr Harcourt states, that in theory and still even in practice the Committee is a purely advisory body, and that the Cabinet, subject to the British Parliament, decides. So was the Cabinet, in fact, for many years advisory, and in strict legal theory so it is now. But there is no small likelihood, in view of the presence of so many prominent members of the Cabinet upon it, that its opinions will carry weight with the Cabinet itself, and there is an equal likelihood, owing to the same cause, that it will be easy to avoid a conflict of authority between the two bodies. It is sometimes argued in the Dominions that a single representative, say from Canada or Australia, on a purely advisory body does not constitute a representation which will possess any influence or be worthy of the importance of these growing nations. That view is, in our opinion, wholly mistaken. The influence of Canada or Australia will not be measured by their representation on the Committee of Imperial Defence, but by the value which the British Government attaches to the concurrence of those two Dominions in its policy. About that there is no doubt.

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Indeed so great is that value that the British Government sometimes almost suffers from too much fear of giving offence. It is certain that only the very gravest reasons would induce the British Cabinet ministers on the Committee to disregard the opinions of the Dominion Governments as expressed through their representatives.

The fact that the Committee would, under these proposals, be representative of all the self-governing nations of the Empire must undoubtedly give it a greatly added importance. It might appear from some expressions in Mr Harcourt's despatch that the Dominions' representatives would be merely onlookers, and be present simply to acquire knowledge on certain limited occasions, i.e. "when naval and military matters affecting the overseas Dominions were under consideration." In the first place, however, it is quite certain that from time to time the Dominions' representatives must act not as mere spectators, but must voice the opinions and decisions of their Cabinets on matters of policy and defence. And in the second place, as has been shown, all important questions of defence must, from their very nature, affect the overseas Dominions. As, therefore, all naval and military matters affect them, their representatives would, naturally, always be present. There is also an obverse side to the medal. It follows equally that the Dominions' representatives cannot confine their responsibilities simply to the discussion of their own local concerns. The strategical defence of the British Empire is a single problem, and a Canadian or Australian representative cannot leave the room, for instance, when the discussion turns upon India, or the Cape of Good Hope.

Yet, notwithstanding its great importance constitutionally, the Committee will be quite an anomalous body, an obvious makeshift. It will be an advisory body representing five Governments, but binding none of them. Its main business will be to offer advice with regard to defence to the British Government, and presumably to the Dominion Governments too. With policy as distinct from

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defence it will in theory have nothing to do. In practice, such of its views as are accepted by the representatives of the British Cabinet will almost certainly be accepted in turn by that Cabinet as a whole. In the sphere of policy the Dominions may represent their views and be consulted; but the final determination and the resultant action must still rest with the Government of Great Britain. Questions of war and peace require instant decision, secrecy and unity of purpose. The responsibility for them is not susceptible of being shared between more than one Government.

The success of the new step is, therefore, it is clear, conditional upon the continued willingness of the Dominions to exercise merely influence, and to leave all action in foreign affairs still to be taken by the British Government. This willingness is again conditional first upon their confidence in the British management of foreign policy, and, secondly, on the maintenance of that state of affairs under which the overwhelmingly greater responsibility for the cost of defence, naval and military, falls on the United Kingdom. Long before the Dominions become equal in power with Great Britain, these makeshift constitutional arrangements must come up for revision. Suppose, for instance, that the United States had not parted company from the British Empire. It is not conceivable that the foreign policy of Washington would still be under the sole control of Downing Street. Long before this some means of sharing the responsibility would have had to be, and would undoubtedly have been, evolved. So it will be in the case of the Dominions. But while we may look forward to even greater changes in the future, changes which are now quite out of our reach, the suggestions made by Mr Harcourt form a necessary and very important step upon the way, and it is to be hoped that every Dominion in one way or another may see its way to accept them. In the minds of the Australian Government there have been some signs of hesitation. Australia has with Admiralty approval started definitely and with great energy

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on the long road of building up an Australian navy. The task is one which will call for great sacrifices on the part of the Australian people and from which the Empire should in the future reap great benefits. She is absorbed in it, and she has not yet begun to inquire very gravely into the policy which must underly her preparations, or into the need of co-ordinating her efforts with those of the rest of the Empire. It is probable, however, that her bold action is already bearing its inevitable fruit and that Australian statesmen are recognizing that the Australian problem is not a local one, but a part of the much wider Pacific problem, which latter is again involved in the Imperial problem, and that common knowledge and common control is at least as essential to its proper solution as in the case of the other Dominions.

### III

IT is clear, then, that though some important steps forward are being taken, we are not yet near the time when all nations within the Empire will share equally in the control of foreign policy. Meanwhile another question is arising, which will not brook the same delay. The Dominions are building ships. These ships must be controlled by some Government. Twenty years ago it was tacitly assumed that Dominion aid would be given in the form of contributions to the British navy, and that control would rest solely with the British Government. It has long been clear that no such policy is consistent with the claims of colonial nationalism. But, though this is clear, little else is clear. The old policy is, indeed, discredited, but no new or uniform policy has taken its place. Australia is building its local fleet, which it will maintain, pay for and control; Canada will shortly be building Dreadnoughts to station in the North Sea, which will be maintained, paid for and controlled

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temporarily, at any rate, by the British Admiralty; New Zealand has built a ship, but is, it seems, in some doubt whether to station it in the North Sea or on the New Zealand coasts; South Africa has not made up her mind what to do. Lastly, whatever the difference in their policy, all the Dominions except Australia—and that exception is only partial—look, at present, to Great Britain to man their ships. Even the attitude of the Admiralty is far from clear. Strategical considerations pull it one way, political another.

It was only last May that Mr Winston Churchill, in commenting on the increasing restriction of the worldwide mobility of the British fleet, went on to emphasize the opportunity that lay before the Dominions. It seemed to him that if the main developments of the last ten years have been the concentration of the British fleet in decisive waters, the main developments of the next ten years will be the growth of effective naval forces in the great Dominions oversea. "Then we shall be able to make what I think will be found to be the true division of labour between the Mother Country and her daughter states, that we should maintain a sea-supremacy against all comers at the decisive point and that they should guard and patrol all the rest of the British Empire."

Mr Churchill's picture may, perhaps, paint truly the broad outlines of future development. But it is important to notice that he does not deal at all with the question of control. It is, further, to be noted that he has, in the instance of Canada, departed from the policy which he sketched in the above words. It has already been shown that in the memorandum addressed to Canada the Admiralty did not suggest the creation of a local fleet unit to be stationed in Canadian waters, but asked for the immediate construction of the "largest and strongest ships of war which science can build or money supply," obviously supposing that these ships should not "patrol the rest of the Empire," but be stationed in the North Sea. In these two inconsistent statements of the Admiralty are contained the

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two main alternative policies now before the Empire, and it is worth while to examine them more closely.

Mr Churchill's suggested division of labour between Great Britain and the Dominions appears to contemplate the development of several local navies, such as that now being established in Australia. What it is important to observe is that in the present stage of the Empire's development a local navy means a navy locally controlled. There was a time some ten years ago when squadrons of the British navy were stationed locally in Australia, Canada and elsewhere. But they were under the sole control of the British Admiralty and were in no sense what are now known as "local navies." If ultimately some common Imperial control is developed, there may again be local squadrons under some common authority. But, as things are, a local fleet, at any rate in time of peace, means local control. Such local fleets have their disadvantages and advantages. In the first place, several separate local fleets may obviously conflict with the principles of strategy. They will not necessarily be stationed where strategy requires them, but according to the wishes of each Government. There will be no unity of control, no cohesion between the different fleets, no common training, no common service. A small fleet affords less scope for its officers and is, therefore, less efficient. It is not absolutely certain that even in war time such local fleets will be at the service of the British Admiralty. And since they cannot be relied upon, they must count for very little in the Admiralty's calculations of strength. Lastly, in this critical period of the Empire's history, they add little to, and may even detract from, the fighting value of the Empire's fleets. For unfortunately local navies take a long time to reach any pitch of usefulness or strength. It is not a question of building ships, but of training men. A Dreadnought can be built in two years, and to build a whole fleet is simply a question of money. But it takes ten years to train an officer, seven to train a petty officer and five to train a seaman. To build up the intricate and slow-growing

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organization of a navy is thus a matter of decades rather than years. The Australian Government contemplates that the creation of its full fleet unit will take twenty-two years. Any Dominion, therefore, that starts to-day to create a local navy is compelled to apply to the British Admiralty for the loan of officers and men. In Australia, it is true, recruitment has in the circumstances been very satisfactory, and something like one-third of the 2,000 or more seamen employed or being trained are now Australians. But the officers are English, and, as an Australian writer in *The Times* recently said, "it is plain that for many years the senior officers of the Australian fleet will have to be drawn from the Royal Navy." In Canada it would probably be impossible to obtain even seamen, and her ships, if manned at all, would have to be manned from the Royal Navy. She would then be actually weakening and not strengthening the Empire's effective strength. Owing partly to the unfortunate disarmament episode of the years succeeding 1906 and the consequent slackening in recruitment, the British navy cannot spare one officer or one man. There is no difficulty about getting recruits. But they are useless without training, and they cannot be trained under five years.

Another disadvantage in local fleets is that they can in present circumstances only work within restricted areas, such as were laid down at the Imperial Conference of 1911. So long as the British Government is responsible for the foreign relations of the whole Empire, reasons of international law and diplomacy make this inevitable. It would be impossible for the British Government to be responsible, in foreign waters, for the action of fleets over which it had no control.

But while there are great disadvantages about local navies, particularly in view of the actual situation, there are great advantages too. It is difficult to see how else the interest of the Dominions in their own ships can be excited. To sign a cheque will never satisfy their patriotism. Simply to give money or ships to be controlled wholly by

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a Government which in no way represents them is odious to their self-respect. They must feel something of the pride of ownership; their ships must be manned by their own countrymen. A local navy alone satisfies their self-governing instinct. How, for instance, can the naval instinct of the New Zealand people be kept alive by a ship stationed in the North Sea and manned by Englishmen?

The plan now temporarily adopted by the Canadian Government of stationing ships in the North Sea, though it labours under some of the above difficulties, tries to meet them by obtaining for Canada representation in Imperial Councils. It remains to be seen how effective this new feature is felt to be by the Canadian people, and in what direction it will develop. If the plan is adopted by the Canadian Parliament, the Canadian ships will not only be stationed in the North Sea but will be manned and paid for by Great Britain. There is a danger, therefore, that they may be felt to be not really Canadian ships, and that they may fail to arouse any enthusiasm among Canadians for their own navy. They are not helping to build up any distinct Canadian fleet unit. There is, too, a danger that the plan of stationing Dominion ships in the North Sea may, in the long run, tend rather to relieve the British taxpayer of his burden than to add to the effective strength of the Empire. Not only will there be always the strongest temptation for the First Lord of the Admiralty to reduce his estimates for construction to a lower figure than he would otherwise have done, but he will be able legitimately to point out that it is useless to place on the British taxpayer too heavy an annual charge for maintenance and upkeep of ships in the North Sea. It is no good maintaining a larger margin of strength than is necessary. Moreover, not only has the British taxpayer to meet the cost of maintaining the Dominion ships, but Great Britain has to find their crews. And while it is very possible, therefore, that Dominion aid in the North Sea may not in the long run largely increase the Imperial naval forces in that quarter, it will obviously

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do nothing to remedy the serious position of affairs in the other seas of the world to which attention was drawn in the first part of this article.

On the other hand the plan has a very great temporary strategical advantage. Indeed, if Canada is to do anything effective at the present critical juncture, the plan is the only possible one. For the time of tension is now, and its place the North Sea. Not only would any small beginnings of a local Canadian navy be perfectly useless to Great Britain, but they could not even be started without draining the British navy of officers and men which it cannot afford. For the moment, therefore, Mr Borden's plan is the only effective one. But it does not in the least commit the Canadian people permanently. The critical situation in the North Sea may be past in a few years and Canada may find another line of development desirable.

In a question of this magnitude and complexity the evolutionary stages are bound to be gradual and it would be the greatest mistake to force the pace by attempting to impose an unnatural uniformity. But there is one step which might well be taken at once by every Dominion. Whatever part in naval defence they play, and wherever their ships are stationed, they must all without exception wish to provide their quota of efficient officers and men. To build up a properly trained service is the most important work to be carried through in the creation of a fleet and the most lengthy and difficult. Let each Dominion follow Australia's example and start a Naval College for the purpose. Then in a few years' time they would have a nucleus of trained men for their own ships if they wanted them, without drawing on Great Britain's resources.

Everything points to the desirability of holding a Conference shortly on naval affairs between the responsible authorities of the Empire at which this and other matters might be raised. Australia has indeed asked for a Conference for the purpose, it may be supposed, of getting some more light on the question of future Pacific policy, a matter almost

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equally important at this juncture to New Zealand and Canada. An understanding between these three Dominions with regard to the Pacific would be a great step forward. Then, again, the South African Government are anxious to settle with the Imperial Government the lines on which they should co-operate. And lastly a conference would afford an opportunity, which all the Dominions would probably welcome, for a further elucidation of the Imperial Government's proposals with regard to the Defence Committee.

It is not to be supposed that any such conference could finally determine the path of future progress, or even perhaps take a definite decision between the two main alternative policies sketched above. But it might do much to carry Imperial naval evolution a stage further. Neither the local navy nor the temporary Canadian plan represents a final development. Each has the defects of its qualities, and in the final outcome the qualities of both must be combined. The local navy in the present conditions of Imperial organization sacrifices unity of control; on the other hand, a centralized navy in the North Sea and the Mediterranean will do nothing to nourish the growth of naval sentiment in the Dominions. Unity of control is all-important; but so is the sustained interest of each community in its own fleet. The task of the future is to harmonize the two.

## THE UNIONISTS AND THE FOOD TAXES

### I. FORECASTS: FULFILLED AND UNFULFILLED

IN the September number of *THE ROUND TABLE* an attempt was made to consider the extent to which the Unionist party was handicapped by the food taxes, and to estimate the effect which might be anticipated if this item were to be dropped out of the official programme. This article was written at the date of the Autumn adjournment. Mr Bonar Law had then been leader of the Opposition in the House of Commons for close on a year. The conflicting prophecies of crushing disaster and of immediate triumph which Mr Balfour's retirement had elicited from the prophets had not been fulfilled. The state of things at the end of the Session was perhaps less favourable for the Government than it had been at the beginning, but the process of deterioration had not been more rapid than was to be expected in the ordinary course of nature when a British ministry has reached the venerable antiquity of a seventh year of office.

By this time it was plain to the Opposition that the revival of their fortunes had not proceeded so rapidly as they had hoped, and all good party men were earnestly engaged in searching for the reason. Among other influences which fell much under suspicion during this inquest were the food taxes. While these were adhered to, or at least tacitly accepted, by all candidates and political

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organizers, they were certainly not held with enthusiasm by more than a minority. So much was clear; so much was known to all men—to the Liberals as well as to the Unionists themselves. But the remedy was far from clear to the party which needed it, and the future course of events was obscure alike to the philosopher and to the caucus. What apparently had been grasped by no one at this time was the immense preponderance in numbers of those who doubted, over those who believed in the official policy; and what had been foreseen by no one was that within a short six months this great mass of unsecured opinion and unsettled conviction would suddenly shift its position, like loose cargo in a rolling ship, and thereby introduce new problems of navigation. But what problems? Has this surprising accident restored the true balance and trimmed the vessel, or has it made matters worse than before by giving her a fatal list as she staggers on her way amidst heavy seas? It is too early to offer any certain answer. The most we can do with any profit is to see how far our previous calculations have been upset by the progress of events.

The article in the September number of *THE ROUND TABLE* pointed out that the disfavour with which the food duties were regarded by the dwellers in towns was not counterbalanced by any very manifest signs of enthusiasm for them in the rural districts. The artisan appeared incredulous when he was assured that a preference on Colonial wheat and other forms of food would induce the Dominions to lower their tariffs so far as to give his own products fair play in their markets. He was equally incredulous when assured that any rise in the cost of his food would be made up to him by re-adjustments of taxation and by reductions in the price of other articles of his household consumption. He persisted in asking the old question—"Why can't you give me the advantages of protection for my particular industry against the foreigner, without saddling me with the disadvantages of dearer food?" The agricultural labourer, on the other hand, seemed more inclined to agree with the artisan's

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objections to the enhanced cost of living than hopeful of a rise in his wages, to be brought about by the increased prosperity of the farmer. Nor did the farmer himself seem to be very much elated at the prospect of a two shilling tax upon every quarter of wheat,\* seeing that it was not proposed to levy this duty against his most active and progressive competitors, the grain-growers of the Dominions overseas.

While the food duties were therefore very unpopular in certain directions, they were actually popular in none. But if they were given up it seemed to be the general opinion that Preference must be given up also. This would have been like taking the soul out of Mr Chamberlain's original policy, the main aim of which was to bring about the closer union of the Empire. The means to this end he had clearly stated as entailing a present sacrifice. The material benefit of protection for British industries he had only offered as a subsidiary, though important, compensation. He had said that if this country "wanted to give a Preference to the Colonies, it must put a tax upon food." His followers had devoutly repeated this maxim after him for close on ten years. His opponents had echoed it in even louder tones; and it was reasonable, therefore, to suppose that the belief had become firmly fixed in the mind of the country.

Certain persons, it is true, had from the beginning maintained the contrary view, that Preference *could* be given in some measure without food duties; that while a comprehensive system of Preference for the Empire might possibly not be attainable except by this means, the principle nevertheless could be introduced without touching "the poor man's loaf"; that encouragement could be given to various infant industries overseas, even upon our present tariff, and still more so if all luxuries and manufactures

\* According to Whitaker, about 500 lbs. of grain. Probably the yield in flour would be from 330 to 370 lbs. It would be interesting to know how many people who have been discussing the wheat tax have any idea of these figures.

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were placed at the disposal of the Chancellor of the Exchequer for this object. Other matters also were mentioned as having preferential possibilities—matters of freight, matters of finance, matters of taxation, in which Imperial privileges of no mean character might be conferred. But none of these advocates had found an audience. For the most part, either from want of vocal powers, or from loyalty to their party, they had not spoken in tones loud enough to be heard above the party hum.

The gospel of Preference without food taxes had not been preached boldly in popular assemblies, but only timidly and furtively in certain secluded catacombs. It was a heresy which men dared not admit without putting their political lives in peril at the hands of a secret society known as the "Confederates," whose aim was the propagation of the true faith by the extinction of unbelievers. For these reasons in August last the inference was drawn in *THE ROUND TABLE* that, although the Unionist party was sorely embarrassed by the food duties, its reputation would be ruined if it gave them up. For Tariff Reform would then become an ordinary protectionist programme, as in the United States, or Germany, or Canada, or Australia, to be judged upon its merits or demerits as a method for benefiting the employers and the wage-earners of the United Kingdom. As a means of promoting the closer union of the Empire it would have lost its chief virtue, not merely with the country, but also in the eyes of the party which continued to advocate it. It seemed therefore all but impossible that the food duties could be dropped without, in effect, abandoning the whole policy of Preference, without demoralizing the Unionist party, and without splitting it into two hostile sections.

The commentator upon current events, in the drama which he endeavours to unfold, lacks the signal advantage of the historian who, as he foretells only what has already happened, can, without difficulty, make his plot accommodate itself to the conclusion. The less fortunate chronicler

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from hand to mouth is thrown back on prophecy; and prophecy, though it has its own attractions, is beset with dangers. The present situation affords an instance. For the food duties have been dropped, at any rate for immediate purposes. The Unionist party, nevertheless, has not split in twain, but remains to all appearance firmly united. Whether it be demoralized or not in a political sense, no one as yet can say; but the signs up to the present are certainly not conclusive in favour of this forecast. Finally, it is stoutly maintained by the whole opposition in an apparently harmonious chorus that the policy of Preference still remains a fundamental article of their creed. Their professions may or may not be sincere; but, at any rate, it is prudent as well as generous to give them the benefit of the doubt.

In the attitude of the Liberal party and their allies during the recent crisis and subsequently the prophet may, however, find some consolation for the partial failure of his forecast in other directions. The Coalition has not been slow to point out that the Unionists, whatever they may profess, are in fact abandoning Preference altogether and falling back on protection. Mr Chamberlain, they now tell us, stood for a "splendid," though mistaken, idea; and he was fully justified when he asserted that food duties were necessary for its realization. Lord Hugh Cecil and the Unionist free-traders who suffered martyrdom in 1906 were also justified when they said that the country would never tolerate taxes upon food-stuffs. But the bulk of the party which wobbled along eagerly after Mr Chamberlain, when he was there to sustain their courage, and who are now seen wobbling away still faster in the opposite direction—the courage having oozed out of their hearts—are not justified in anything, are utterly forsown, and are fit objects for contempt and derision. Mr Bonar Law in particular is attacked for the reason that, having said he was not the man to haul down the flag, he has nevertheless consented to remain in command of the ship after the flag has been hauled down by

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others, in spite of all his warnings and entreaties. The rank and file have bolted, and, after a little hesitation, Mr Bonar Law has bolted after them. With such rank and file, say the Liberals, and with such a leader, how can the rout be stayed? What can be the result for years to come but discredit and demoralization? And meanwhile, upon the crowd of hurrying fugitives, the whole battery of free-trade argument "on the facts" has opened a vigorous and exultant fire. As to the abandoned food duties, the Liberal cry is—"We told you so"; as to the rest of the protectionist farrago of ignorance, self-interest, and quackery, these will have to go too in no long space of time. And by all the rules of logic, and by all the texts of the philosophers, it is shown conclusively why, and even when, the last, moist, dismal, soot-streaked undulations of the snowdrift of Tariff Reform must disappear for ever from the fair meadow of British politics.

This is the Liberal attack and regarded from a party point of view it is certainly not without justification. It is hearty and confident. Will it be equally effective? Logic is only potent if the country will listen to it. Artillery fire is only devastating, if it hits people. The guns before Magersfontein played so vigorously and exultantly that it seemed to the beholders looking through Zeiss glasses as if the whole hill face had been removed. But for the most part the Boers lay there unharmed, incommoded only by the unpleasant smell of lyddite from the exploding shells. Moreover, demoralization in a party sense is not what we may hope it is in the case of private consciences, nor indeed, what it certainly is in regard to national beliefs and emotions—things which are strangely different from the tactics of the "Ins" and "Outs." It is not the conviction that you are a bit of a rogue, but the conviction that you are likely to be a loser, which produces that demoralization so much dreaded in their own case, and so much desired in the case of the enemy, by the head-spiders who sit in central offices. In normal times, the spirit of party politics varies to and

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from somewhere between that of a cricket match and that of a pitched battle. Only in moments of great exaltation does it reach the level of a faith or a religion, where truth ranks higher than dexterity. At the General Election of 1900, the Unionists knew that they were rogues when they sought to identify the whole Liberal party with a few distempered fanatics who wished success to the Queen's enemies. And at the General Election of 1906, the Liberals knew that they were rogues when they went to and from persuading the electors that Mr Balfour's Government had introduced Chinese slaves into South Africa. But in both instances, the slimness of the manœuvre resulted in victory, and consequently, the only political demoralization which manifested itself was among the side which was injured by these proceedings. Poetic justice, in fact, is no more an operative principle in party tactics than it is among the "bulls" and "bears" of the Stock Exchange.

But party tactics is not the only aspect under which this matter presents itself to our view. In the long run a party will survive by its sincerity or perish for the lack of it. Though it may use all the deceits of war and the chase to perplex and discredit its opponents, though in minor articles it may profess and disavow with comparative impunity, it cannot forswear its fundamental principles for the sake of a momentary advantage without entailing upon itself a more deadly disaster than that from which it has sought to escape. It is from this point of view that the recent crisis in the Unionist party will now be considered. What their opponents think of them is, comparatively speaking, of but trifling importance. What they think of themselves is everything. And there is another reason for a full inquiry in the fact that, judged by its professions, Unionism, even more than Liberalism, has hitherto stood out as the champion of Imperial consolidation. The credit and sincerity of the Opposition in regard to this particular issue of Preference and the food taxes, bound up—as they have always alleged it to be—

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with the closer union of the Empire cannot, therefore, be a matter of indifference to those persons in the Dominions who are watching British politics with less interest in the game than in the great stakes for which the game is played, with more concern for the victory or defeat of certain ideas than for the triumph or humiliation of the Big-Enders and Little-Enders, whom Mr Gulliver met with on his travels.

### II. THE ALBERT HALL SPEECHES

**I**N the present article an attempt will be made to examine this matter of the Unionist party and the food taxes from within rather than from without. We shall endeavour to set forth as sympathetically as possible how the various sections of the Unionist party and their spokesmen upon platforms and in the Press have sought to justify the recent revolution in their policy, and how they have reconciled it, or have attempted to reconcile it, with their previous professions.

It is a curious fact that whereas up to the time of Mr Balfour's resignation the Unionist party, when it engaged in self-criticism, usually inclined to attribute its despondent fortunes to the failure of the leader to grasp the nettle of the food taxes with firmness and enthusiasm, no sooner had Mr Bonar Law been installed in the succession than the real or supposed incubus of these same duties became the chief topic in private confabulations. On Tariff matters Mr Balfour lay under the suspicion of agnosticism. Mr Bonar Law was known for a Tariff Reformer of the most unimpeachable orthodoxy. Whether the change in the trend of quidnunc opinion which then set in was due to that simple human impulse which causes mankind to argue from its present discontents that whatever is is worst, or whether it was really due to external causes, it is difficult

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to be certain. There is little doubt, however, that by midsummer, 1912, more than half of the Unionists in the House of Commons would have been profoundly grateful if they could have got rid of the food duties without appearing to abandon their principles. Undoubtedly the continued rise in prices had a good deal to do with this attitude of mind. All over the United Kingdom—indeed, all over the civilized world—there had been strikes and demonstrations, due ostensibly to this cause. Everywhere the cry was heard that while trade was active, while employment was less hard than usual to obtain, yet wages had not risen sufficiently to make good the increased cost of the household. Was it in these circumstances, people began to ask, that the Unionist party would find the man with a small income more favourably inclined than formerly to listen to their proposals for adding to the cost of his living by imposing a burden of fresh taxation? And also was it true that those very farmers of Western Canada that grew the wheat, that demanded the tax, that threatened the loaf, that fed the man, that swore at the mere mention of food taxes, had said clearly and positively that they "didn't give a cent for the food taxes," and that at a recent memorable election when Reciprocity was defeated, they had voted in accordance with this sentiment?

About this time Mr Borden visited England. What Mr Borden said to the Unionist leaders is not known, and what they may have said to him is equally obscure, but it is certain that the Prime Minister of Canada, being of a thoroughly constitutional disposition, never committed himself to any public statement on this subject. He never said that Canada did not want the food taxes, which would have released the Unionist party from its dilemma in the most agreeable manner. Nor did he say that Canada did want them, which would have done the next best thing by setting the question at rest and thereby confirming the faith of many who were consumed by the tortures of doubt. Mr Borden said nothing at all. He left the Unionist

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party to settle its own affairs by the lights of its own intelligence. With an equal discretion, he abstained from discussing Canadian party issues before British audiences. And in both respects, he set an excellent example to other itinerant statesmen hailing from the United Kingdom and elsewhere, which it is to be hoped that they will lay to heart for future use.

There is no doubt, however, that to many members of the Unionist party Mr Borden's judicious reticence was a cause of great disappointment. They had looked to him to cut the Gordian knot, but he set sail nevertheless from Liverpool amid smiles and expressions of good feeling, leaving the cord of fate in as tight a ravel as before. It was assumed, however, both by the orthodox food-taxers and by those who held the opposite view—though precisely why it is difficult to understand—that if Mr Borden had not considered Mr Chamberlain's full policy to be essential to Preference from the Canadian standpoint, he would have taken an opportunity of making this clear. For some time after his departure, the subject remained in a state of more or less gloomy quiescence. The one section of the Unionists was sullen, while the other section was by no means elated. The party in this respect was not unlike an army whose advance is arrested for reasons which have not been officially disclosed. The Commander-in-Chief is believed to be holding councils of war. Meanwhile, discipline is relaxed, authority is discredited, and every fool becomes his own strategist.

During the month of November there was a great gathering of the representatives of the two wings of the Unionist party—the Conservatives and the Liberal Unionists, now for the first time harmoniously united in one organization. Before this assembly took place there appears to have been a certain amount of what Mrs Carlyle used to call "hithering and thithering." People of importance in their various localities were in a stir—wanted things done, wanted things said; but, as is usual with people of importance, each of

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them wanted a different thing done or said. And the chief topic of their disagreement was the food duties. Were they still an integral part of the programme? In the case of a Unionist victory at the next election, were they to be imposed without more ado? Or, were they to be submitted to a referendum? Or, were they to become a vital issue only at a second election?

The leaders of the party, Lord Lansdowne and Mr Bonar Law, were billed to speak at a great demonstration at the Albert Hall upon November 14, after this conference had brought its labours to a close. They were urged to speak out; and by most people, they were urged to speak out in the sense which the urger favoured. Perhaps it would have been best if they had been besought to utter the faith which was in them, loudly and firmly, as leaders whose business it is simply to tell men to follow them. For it has seemed to many people on both sides that what the Unionist party needs most of all, and has needed ever since Mr Chamberlain's retirement, is not so much a policy as leadership. Among masses of men, co-operating for any serious purpose of war or politics, there is a healthy human craving to be kicked from time to time. Being diffident by nature, they are much comforted when they realize that the head-man has more faith in his own clear individual opinion than he has in the flickering emanations of their collective wisdom. And also, they like to feel that they are led by some one who is not in the least afraid of them—a leader, who will tell them without a quaver in his voice that he is going to do a certain thing—and that they will be good enough to do it too—without stopping to reckon whether ten per cent or ninety per cent of his followers agree with him. Such a leader knows beforehand that the majority will certainly agree with him, whatever he may say; for the majority are always men of action rather than philosophers, and to them, the firm tones of command are the most potent and conclusive of all arguments.

But such leaders are rare, and Mr Bonar Law is not one

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of them. His natural temperament, his comparatively recent elevation, the method by which he was chosen—all combine to make the ideal *rôle* a peculiarly difficult one for him to play. Mr Bonar Law was chosen by the party to be their leader, and he was elected to this high position of honour and power because the competing claims of two other candidates, senior to him in rank, were considered to be dangerous to the unity of the party. But the ideal leader is not either chosen or elected: he seizes upon power by conquest; wins possession by violence; his followers submit to him, as Katharine submitted to Petruchio, not because of the amiability of his manner, or the virtue of his character, or the correctness of his logic, but only because there is a strength in him which they cannot resist. It is a complete reversal of the order of nature when the *Party* poses as the superior being, and confers the leadership as a kind of favour upon some meritorious person, who thereupon is expected to express profound gratitude for their condescension. That party is most fortunately led which has yielded to the force of a character more powerful than its own, which has submitted to a leader in whose promise of protection it trusts to find security and in whose overbearing vigour a way to victory over the Gentiles.

Mr Bonar Law, as yet, at all events, has considered it his duty to defer to some considerable extent to the opinions, or the supposed opinions, of his party. This is not to impugn his courage and integrity either as a private gentleman or as a political leader. On the contrary, he had said clearly and with dignity, that if the party should decide to abandon principles in the truth of which he is convinced, he will ask them to accept his resignation, and to choose a more accommodating successor. But here is the essential difference; for the ideal leader regards all talk of a successor as treason, and if he speaks of resignation, it is only as a threat, far more terrible than any possible results of obedience to his commands.

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Seeing that it was not easy, and perhaps was not even possible, in the circumstances, for the Unionist leaders to play the part of Petruchio, and to crack a whip over the heads of their faithful followers at that momentous meeting in the Albert Hall, perhaps the next best thing would have been for them to have treated the matter of the food taxes according to the famous query of Lord Melbourne—"Why can't you leave the damned thing alone?" There was also open to them the way of Disraeli, who used to wrap his intentions in a grandiose obscurity and to trust "to the sublime instincts of an ancient people." Neither of these plans was adopted. The method chosen was an elaborate, reasoned, detailed, and, it must be added, a somewhat clumsy explanation. But upon the very eve of the meeting a fortunate distraction occurred which, for the moment, served the purpose almost as well as either of these subtle precedents.

A few days before the Albert Hall meeting the Government, taken unawares, had suffered defeat upon the financial clauses of the Home Rule Bill. Their efforts to remedy this disaster were not at first successful. The Speaker held that the particular method they proposed, though in order, was without a precedent; and the Opposition, thereupon, prevented a precedent from being created by raising a clamour and stopping the proceedings of the House of Commons. This incident is now ancient history, and has sunk into insignificance or oblivion during the three months which have since elapsed. But at the time it bulked very large, and the whole of the Unionist party was filled with pride at having inflicted a double check upon their opponents, and at having wasted a precious week of Parliamentary time. The great audience was all agog to have the morals of the glorious victory expounded to them, and to welcome the hero under whose personal direction it had been achieved. Mr Bonar Law did not disappoint his enthusiastic admirers, and as a consequence, the reasoned arguments of Lord Lansdowne upon the subject of the fiscal policy and

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the food taxes did not excite much attention at the time—or indeed afterwards, until another event caused people to look up the back files of their newspapers, in order to discover the genesis of a party crisis.

Lord Lansdowne stated clearly that if the Unionists won the next General Election there would be no referendum, either upon Tariff Reform as a whole or upon any part of that policy. He foreshadowed communications and negotiations between the home Government and the Dominion Governments before the introduction of a fiscal change, and he stipulated for a free hand. He continued:

If . . . the great Dominions ask us to grant them in return for substantial advantages which they will be prepared to give us—if they ask us to give them a moderate duty upon foreign wheat, sufficient to bring into our markets the great unlimited granaries of Canada and Australia, we shall not be deterred from examining their proposal by the mere statement that it will involve the taxation of food and that all food taxes are unholy things . . . . We shall be prepared to give a twofold undertaking, so that there can be no doubt in the minds of the people as to our meaning and intentions. In the first place, we are ready to undertake that we will specify precisely and exactly the amount—the limits within which we propose to resort to taxation of this kind—and we undertake that we will not exceed those limits without further authorization from the people of this country. (Loud cheers.) That is one undertaking, and the other is this: we will undertake that any revenue raised from taxes of this kind shall not be treated as ordinary revenue, but shall be used for the purpose of alleviating other burdens falling upon the shoulders of the working classes. And in this way we are confident we shall be able to make good the assurance . . . that Colonial Reciprocity should not involve any increase in the cost of living for the working classes of this country. (Loud cheers.)

Mr Bonar Law, who followed, made what the newspapers are wont to describe as a "strong fighting speech." As to Tariff Reform, he concurred "with every word which had fallen from Lord Lansdowne"; but he had other matters of a more exciting character to talk about, and even when, towards the conclusion of his speech, he came to deal with fiscal matters at some length, he did not pursue the subject either so definitely or so systematically as his colleague.

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### III. THE ASHTON SPEECH.

A MONTH later Mr Bonar Law spoke at Ashton-under-Lyne. It cannot be said that in the interval any outward signs had given warning of an impending crisis. So far as we are aware, the only newspaper of importance which adversely criticized the fiscal policy which had been announced—or rather confirmed—at the Albert Hall was the *Liverpool Courier*, which, affecting to speak on behalf of Lancashire, had vigorously urged the necessity of submitting any Tariff Reform budget to a referendum. But this single voice appeared to be that of one crying in the wilderness. The referendum was clearly impossible for two reasons; the first, that it had just been most solemnly abjured by the leaders; the second, that since Mr Balfour had first proposed it in a hasty moment on the eve of the General Election of December 1910, most persons in possession of their reasoning faculties had perceived it to be absurdly and mischievously inappropriate to the particular purpose of settling the amount, the distribution, and the basis of taxation.

But as events have proved, the *Liverpool Courier*, though it had got hold of the wrong end of the stick in insisting upon the referendum, was by no means a solitary dissenter. It seems tolerably clear that there must have been private grumblings from many quarters, but especially from Lancashire. There was a by-election at Bolton on November 24 which the Opposition failed to win. The hostile Liberal majority of 1,600 was only reduced by something less than a third. This may have been the fault of the Unionist candidate or the merit of his opponent; but it was open to anyone who chose to do so to put the blame upon the food taxes. The result was a disappointment, no doubt, to the Opposition, but it is exceedingly difficult to see why it should have thrown them into a panic. Outwardly, indeed, there was no panic; but under the surface, it is clear that there was some-

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thing of the kind. It is probably not incorrect to surmise that a few days before the Ashton speech the private grumblings and mutterings of Lancashire co-ordinated themselves into some kind of official protest; that Mr Bonar Law thereupon consulted his colleagues, with the exception of Mr Austen Chamberlain who (as on that other notorious occasion when the referendum was adopted) happened to be addressing a series of meetings in Scotland, and that the speech to which we now come was, in some of its most important particulars, the result of the combined prudence of this hastily summoned council of war.

The Ashton speech was a long and elaborate statement. According to the fashion which at present prevails among eminent politicians, it roamed over a very wide field and dealt at considerable length, first, with various aspects of Social Reform, and afterwards, with the whole range of the fiscal question. It was interesting, and in the earlier part showed not only thought and sincerity, but also courage. In the latter part of it, however, the palpitations of the council of war were distinctly audible, and it was to these alone that attention was paid when the speech appeared next morning in columns of cold print. With regard to the food taxes, the line which Mr Bonar Law followed may be gathered from the following extracts:

We intend also to try to secure for our own people the largest possible amount of preference in the oversea markets of the British Empire. That is our policy. It is these preference proposals which raise the question of food duties, which, you know, is always rejoicing the hearts of our opponents. . . . We know as well as our opponents how well these food duties lend themselves to misrepresentation, and we know better than our opponents what good use they will make of these misrepresentations. It would have been easy for us to abandon it. We could have dropped them altogether, or we could have dealt with them in another way. We could have done as our opponents did with Home Rule at the last election. We could have said nothing about them. (Laughter and cheers.) We have not adopted that plan. . . .

We have not abandoned the food duties for two reasons. The first is that, in our opinion, it is essential for this country that we should

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at least retain and, if we can, increase the preference for our manufactures that we enjoy now in the oversea Dominions of the Crown. But there is another reason. For nine years we have advocated Preference as a step towards Imperial unity. We have advocated it for nine years, and in my opinion at least, this is not the time to haul down the flag, after the elections in Canada last year (cheers), which caused an outburst of Imperial sentiment that impressed and, I believe, astonished the world; and still less is it the time when the Colonies are moving with such magnificent spirit to help us in the difficulties of the Empire. For nine years we have kept the flag flying, and if there is any sincerity in political life at all, this is not the time, and, at all events, I am not the man, to haul down that flag. (Cheers.) . . .

If our countrymen entrust us with power, we do not intend to impose food duties. What we intend to do is to call a conference of the Colonies to consider the whole question of preferential trade, and the question whether or not food duties will be imposed will not arise until those negotiations are completed. We are told that the Colonies have made no offer, that they do not wish such an arrangement. If that is true, no food duties will be imposed in any circumstances. (Cheers.) We do not wish to impose them. They are not proposed by us for the sake of Protection, and there is no Protection in them. They are proposed solely for the sake of Preference, and if when the conference takes place the Colonies do not want them—I will put it far stronger than that, unless the Colonies regard them as essential for Preference—then also the food duties will not be imposed. All that we ask is that our countrymen should give us authority to enter into that negotiation, with power to impose certain low duties on foodstuffs, and within strict limits which will never be increased. (Cheers.) . . .

We do not want to impose these duties. I hope it will be possible—and I think it may be possible—that if any readjustment is necessary it will only be a duty on wheat. I hope so, but I do not think it would be reasonable to ask the Colonies to meet us if our power of negotiation were strictly limited in that way. . . .

If the Colonies do not think those duties necessary for Preference, they will never be imposed. If they do think them necessary, then I, for one, do not believe that the people of this country would not be ready to make that readjustment which is necessary to effect the purpose.

Looking at these statements after the heated controversy has cooled down, when the change in policy has been accomplished, when the threatened rupture of the Unionist party has been avoided and has ceased to be a nightmare to the

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whips and the organizers—looking at the speech now in cold blood it does not appear to be so very different in meaning from that delivered by Lord Lansdowne a few weeks earlier. There is a great change in emphasis; but the chief difference is that at the first time of calling the Unionist press paid little or no attention, while the second time of calling found it with leisure and inclination for examining carefully what the statement implied. But there are also certain actual differences of some importance:—If the Unionists win the next General Election, an Imperial Conference will be called to discuss the question of preferential trade: unless the colonies regard British food duties as essential for the policy of Preference, they will not be imposed: the Unionists do not want to impose these duties: they are not suggested with any idea of protection or of benefiting the farmer; but solely with the intention of making Preference possible. All this was very near what Lord Lansdowne had said upon the previous occasion, and yet it was very different. It will, perhaps, be remembered how Bismarck “edited” the famous Ems telegram in July, 1870, and how, by a few apparently harmless omissions, by a few magical trivialities of arrangement, he presented the royal message to his delighted companions, Von Moltke and Von Roon, “no longer sounding a parley but a challenge”—a challenge which, within a few hours, made war between Germany and France a certainty. Mr Bonar Law at Ashton accomplished something of the same kind, but in the opposite direction. Any fibre there may have been in the Albert Hall pronouncement had entirely vanished. To the urban interest he made it clear that he deplored the necessity for food taxes. To the agricultural interest he made it equally clear that their requirements had not entered into his consideration.

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### IV. THE PRESSMEN'S BATTLE.

WHAT followed was a pressmen's battle. Those important parliamentary personages who are denoted, perhaps correctly, by the phrase "responsible politicians," for the most part took cover and waited. The field was thus left almost entirely to the journalists. It might be useful if time and space permitted, to consider the part which is played in public affairs from time to time by individuals whose portraits rarely figure in the illustrated papers, whose names mean little or nothing to the man in the street, and who never enter Parliament or adorn cabinets. For a thousand who are familiar with the great deeds of Mr Asquith and the late Sir Henry Campbell-Bannerman, probably not more than one has ever heard of Mr Alfred Spender of the *Westminster Gazette*; and yet it is but the simple truth that no character upon the Liberal side did more to keep that party together after their defeat in 1895, or more to guide them to their great victory in 1906, or more to help them over their various difficulties for the past seven years while they have been in office, than this unassuming gentleman, with his quiet and conciliatory manner, his cool and sensible judgment, his deadly eye for a tactical opening, his consistency, his perseverance, and his almost unbroken cheerfulness and good temper under the strokes of adversity. And leaving the region of political strategy and tactics for that of political ideas, we are met by the same phenomenon. For a hundred people who are fairly conversant with the aspirations of Mr Bonar Law and Mr Churchill, of Mr Austen Chamberlain and Mr Lloyd George, not more than one, in all probability, has ever heard tell of Mr Garvin of the *Observer* and the *Pall Mall Gazette*, or Mr Massingham of the *Nation*, the *Daily News* and the *Manchester Guardian*, although, in the case of these two gentlemen, the rule against publicity is not so austerely practised as by their more self-effacing

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brother of the *Westminster Gazette*. And yet both of these writers, in their different ways, have the apostolic gift; and the ideas which they generate work like yeast in the Parliamentary dough. Behind these again—behind the great journalists who day by day write down the faith or the shrewdness which is in them, are figures of unknown influence—Lord Northcliffe, and Lord Burnham, and other shapes, immense like mountains, like mountains obscure and misty, inert to all appearance, but perhaps, to eyes capable of focussing and containing nature on so grand a scale, really alive and sentient, exercising volition in some sacerdotal, impenetrable, and majestic way upon the affairs of that human dust, which spins in little whirls and spirals of ecstasy and anger from Fleet Street to the old Palace of Westminster and back again.

On the afternoon of the day when Mr Bonar Law made his speech at Ashton, the *Pall Mall Gazette* was enthusiastically engaged in prophesying for him a great personal triumph. Next morning the orator, as he sat at his breakfast-table conning the daily papers, must have had an uneasy feeling that the promised triumph was taking a somewhat unexpected shape. For the threefold purpose of his speech had been to make it clear to all men that the food taxes remained an integral part of the Unionist programme; that they rested upon a foundation of reason and good sense; and that they were not to be subjected to any referendum, or left to be decided at a second election. The result of this appeal at the first blush was hardly encouraging. For in those quarters where the referendum had previously been urged, it was now shouted for with redoubled vehemence. *The Times* (at the instigation, so it was surmised, of its chief proprietor) ominously regretted as illogical and dangerous that passage in the speech which appeared to throw upon the Dominions the onus and the odium of deciding whether or not the people of the United Kingdom were to submit to food taxes. The *Daily Mail* (also at the bidding, it was presumed, of its chief proprietor—the same proprietor) took the contrary view,

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welcoming the pronouncement under the jubilant headlines: NO FOOD TAXES UNLESS THE DOMINIONS INSIST. Nor to a leader who had aimed at the deliverance of an eirenicon did the perusal of the evening papers offer much consolation for what had appeared earlier in the day; for it disclosed the painful fact that an internecine battle had begun to rage in hot earnest. The editor of the *Pall Mall Gazette* lost no time in dealing shrewd blows at the back-sliders. His brilliant pen played round the contumacity of the *Liverpool Courier*, the perversity of *The Times* and the blatant rebellion of the *Daily Mail* like the small sword of the Sieur de Bussy, as he stood in the snowy moonlight à l'angle de l'hôtel des Tournelles and dealt single-handed with the five Mignons of Henri Trois. For nearly a month, except for a somewhat comfortless respite during the Christmas week, this pressmen's battle went on with undiminished vigour, and in certain quarters was conducted with a candour and an absence of reserve, very edifying to the public and most grateful to the hearts of the Liberal party. Like the Reverend Hugh Peters, on the occasion of King Charles's martyrdom, the *Daily Mail* marched "triumphing" in the funeral procession of the food taxes. And while this enterprising journal showed a truly remarkable genius for the exasperation of its own side, the *Pall Mall Gazette* continued to pour out the vials of its wrath in a fiery torrent, which must have burned through anything less than the hide of a hippopotamus. "No dictation" was Mr Garvin's war cry. The rejoinder of the other side might equally well have been compressed into the two words: "no arithmetic!" for it was clear enough, even from the beginning, that the orthodox food-taxers were in a very small minority. But even had the numbers been more evenly balanced, it was obvious that the mere fact of *any* serious division on this subject rendered it quite impossible that the food taxes could be made a party issue at the next election. For the most part, however, the Unionist press, both in London and the provinces, though they differed widely in their views and stated

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their opinions in pretty vigorous language, carried on the discussion without heat or recrimination.

### V. THE CONSEQUENCES OF THE ASHTON SPEECH.

THE Ashton speech aroused a double interest from the light it shed upon the character of the speaker and from the results which flowed from it. In fairness to Mr Bonar Law it must be realized that he occupied a position of exceptional difficulty, and that his difficulties were not merely political but personal. He had been a Tariff Reformer from the first. He had "gone the whole hog." He was identified with the full Chamberlain policy, and had the complete confidence of that section of the party. But in the year which had passed since, from a junior and subordinate rank on the front bench, he had suddenly risen to the leadership of the party, many sources of information had become open to him from which he had previously been excluded. During these twelve months, he must have learned both from personal conversation and from documentary evidence, from the reports of the central office and from interviews with members of the party, what other people have realized only recently—how insecure were the foundations of belief upon which the food taxes actually rested. He knew as well as any man, and probably better than any man, how feebly this item of the true faith was held by the larger portion of his party; how candidates shirked it; how agents evaded it; how journalists fought shy of it; with what great dislike and suspicion the electors regarded it. And was the popular aversion to be wondered at, seeing that the gospel was never preached with any fervour, save by two or three? The circumstances certainly suggest that even within the last few days before his speech was made, the disposition of his followers had undergone some sort of change for the worse. The ground, in fact, was slipping from under his feet, and it is hardly credible that he was not aware of this fact.

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In taking the course he did, it does not appear that his conduct is open to attack on the score of any want either of integrity or of loyalty. If the policy of the food taxes in its original form was a sinking ship, he at any rate was prepared to go down with it. He did not seek by any recantation to dissociate himself from the danger. But it must be admitted that he missed the one way that might conceivably have resulted in success, and followed another which was foredoomed to failure. For the only hope, though it may not have been a very bright one, lay in supreme audacity, in putting a bold face on things, and in speaking in tones which implied command. Explanation, apology and persuasion were useless for the purpose in hand. Making little of the matter was useless. Saying that very likely it might never happen after all was worse than useless. And uncertainty was the most fatal thing of all. After the Ashton speech, no Unionist candidate was in a position to answer "Yes" or "No" to the plain question, certain to be asked of him at every meeting: "If your side wins, are you going to put a tax on food, or are you not?" He could only answer "Perhaps."

The Ashton speech gave the deathblow to the food taxes by advocating their retention for reasons which were manifestly absurd. To any Unionist who took a cool view of the new situation, there was clearly only one thing to be done, and that was to get rid of this item in the party programme with the least possible delay. If it was allowed to die a lingering death, or if, being in fact dead, it was permitted to remain within the party tabernacle, dangers of the gravest character were certain to ensue. The internal relations of the whole Opposition would be poisoned by intrigue and doubt, and riven by disputes and schism. So much was realized, not merely by the free-fooders and the moderate men, but quite as much by many persons who still believed in the original Chamberlain programme, and who scouted the idea that there was any reality or substance underlying the alleged unpopularity of the official policy. To such persons, however,

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it appeared that Unionism was now placed in an unfortunate predicament, from which escape was quite impossible without some loss of credit. It was a choice of evils. On the one hand, there would be discredit in suddenly abandoning an important article of policy, not because it was acknowledged to be wrong, but merely because it was contrary to a prevalent opinion. But on the other hand, it was now recognized frankly, if reluctantly, that the party was already discredited before ever the Ashton speech was made. It was discredited for this reason more than for any other, that for years past an immense majority had avoided all mention of the food taxes unless they were actually driven to discuss them. A few believed them to be wrong, while many conceived them to be unpopular. The former could not preach the stern gospel because their consciences forbade it, while the latter were precluded by an obstacle no less formidable—the instinct of self-preservation. And if this had been the state of things before the Ashton speech, what was it likely to be afterwards? Better, surely, to endure the bitter reproach of acknowledged error, or even the stigma of opportunism, than to cling to a policy which not one man in twenty was now prepared to fight for?

Looking at the intention of Mr Bonar Law's speech, it was a blunder; but, judged by its results, it is clearly now regarded by the overwhelming majority of the party as a most fortunate mistake. Not only is he forgiven, but he has earned the unspeakable gratitude of the mass of his followers. Early in January, while the issue of the crisis was still in doubt, *The Times* computed the number of those members of Parliament who still wished to retain the food duties as something like five or six per cent of the total; and it argued, probably with reason, that in the country the proportions were very much the same. But we are faced with an odd coincidence, in the fact that only a few weeks before the crisis arose, the old guard of the free-fooders and the free-traders had surrendered practically without conditions. Among them Mr Strachey, of the *Spectator*, was the most

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prominent figure. The motive which inspired his action, and that of the others who about this time had followed the same course, was a serious conviction that it was the duty of all patriotic Unionists who found themselves in a minority upon matters not of the first importance to sacrifice their individual opinions in the face of a grave national emergency. If we look at this incident superficially, it seems to be one of the absurdest of paradoxes that almost at the very moment when, after ten years of disagreement, the whole party had apparently come into line upon the official fiscal policy, that policy should suddenly have been cast into the melting pot. Perhaps, however, the same cause was responsible for both of these occurrences. Revolutions in policy, and even in opinion, are more often brought about by instinct than by reason. It is not inconceivable that the same motive by which the *Spectator* was consciously inspired and to which it gave articulate expression was at work inarticulately and only half-consciously with the rank and file of the Unionist party, driving them to the same conclusion that, in circumstances of serious danger, the views of minorities must give way. Under this aspect it did not matter whether the particular views, which happened to be held only by a small minority, were scheduled in the official programme as orthodox or heterodox. The essential thing was that the party policy must be one in which the mass of the party was able to believe, and judged by this standard the old formulas stood in need of a drastic revision. The great majority did not believe in free trade, therefore Mr Strachey must give way. The great majority did not believe in the food taxes, therefore Mr Austen Chamberlain must give way.

## The Question of Leadership

### VI. THE QUESTION OF LEADERSHIP.

EVEN before the Christmas recess, it seemed fairly certain how the crisis would end so far as the party programme was concerned; but it was very far from certain that the result would not involve a change in the leadership. It seemed by no means impossible that the revolution in policy would have the effect of driving the more rigid tariff reformers into a separate tabernacle. As days went by, however, the last-named danger receded more and more into the background as the inconsiderable number of the irreconcilables became known. But for a period the question of the leadership hung in the balance, not because the followers desired a change, but because the leaders themselves were anxious to retire.

With regard to policy, it was clear that what the Unionist party was determined to give up was neither Tariff Reform nor Preference, but only the food taxes. They were apparently most anxious to adhere to that part of their programme which aimed at setting up a protective tariff upon luxuries and manufactures, and they professed—so far as we are aware without a dissentient voice—to be equally anxious to give a preference to the Dominions, wherever the new or the existing fiscal arrangements made it possible to do so. This revised version of their political faith was open to attack on various grounds, and the Liberal press and platform showed at once that they were fully alive to the opportunity. On logical, economical and historical grounds the change of position was derided and denounced as cowardice, opportunism, tergiversation, disloyalty, and as a sham worse even than the old one. If Unionists had a spark of honesty or honour, let them either stick like men to Mr Chamberlain's original policy or else humbly confess the errors of protection, and abjure the whole pestilent heresy once and for all. Perhaps the argumentative advantage was too

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tempting, and the Liberals pressed it just a trifle too far. Perhaps had their papers devoted less space to chronicling the acerbities of one very distinguished and several very obscure organs of Unionist opinion, perhaps had they shown somewhat less eagerness to foment the quarrel that was proceeding among their opponents, their words would have carried more weight and their persuasions might have produced more result. But the Liberals laid so much stress upon the advantage and the logical necessity of abandoning both Tariff Reform and Preference, now that the food taxes were gone, that the Unionists were very strongly confirmed in their first determination to adhere to both. They believed —though this belief was possibly entirely baseless—that the advice and objurgations of their adversaries were not wholly disinterested.

With regard to the leadership, however, matters stood on a different footing. Some of the same influences were at work, but there were complications which made a settlement less easy. The Liberals were not less convinced that Mr Bonar Law should go than that Tariff Reform and Preference should be given up. This was not altogether unnatural; but to Unionists perturbed by the excitement of a domestic crisis the circumstance appeared to be highly suspicious. What the Opposition has never understood is that Liberals do not merely dislike Mr Bonar Law as a leader, but that they honestly consider him to be a bad leader. Their views about him are not unlike those which Unionists held with regard to Sir Henry Campbell-Bannerman during the earlier stages of the South African War, before he had gained a full confidence in himself, and before his steadfastness and courage had come to be generally recognized. Mr Bonar Law's references to his opponents, though they are received with rapture by his own back benches, have not been distinguished by urbanity and have not invariably been conceived in the best taste. Though he is a student of history, and, to judge by his quotations, is an admirer of Mr Burke, his diatribes and dialectical assaults are sometimes lacking in the grand

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manner of that distinguished statesman. Judged by the critics who sit opposite to him, the Unionist leader seems to be much more anxious to wound than to defeat. To their eyes he appears irresponsible and reckless, ready to throw Conservative principles to the winds for the sake of an immediate advantage, as a general lacking in military genius will sometimes throw away a division in order to capture some unimportant position. Therefore, not only would they like to see him go, but they think it would be a good thing for the Opposition if he did go. And as they have made no secret of these sentiments for some time past, it has undoubtedly served Mr Bonar Law in good stead with his own followers, the majority of whom, both in the House of Commons and in the country, regard it as almost the highest recommendation of any leader that he is odious to his opponents.

Though there was probably not a single individual member of the Unionist party who did not consider the Ashton speech to have been a serious blunder, the orator was immediately forgiven; and throughout the crisis which ensued the party closed round him, making it clear that, if he ceased to be leader, it would be from his wish and entirely contrary to their own. But for a time it seemed more likely than not that both he and Lord Lansdowne would insist upon resignation. Their advice had been flouted, and that fact could not be disguised. They had proclaimed that the food taxes were to remain in the programme, and the party had insisted that they should be cut out. It was a difficult situation, even if, as many people surmised, the leaders in their hearts agreed with their followers upon the matter at issue.

The whole situation was filled with perplexity and piquancy. For forty-eight hours those privileged persons who were "in a position to know" made certain that Mr Bonar Law would resign. One realized during this short period that the most vivacious pages in Disraeli's novels must have owed even more to the observation than to the

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fancy of the author. Tadpole and Taper, with their sleek silk hats, their neatly folded umbrellas, and their unfathomable notebooks, were again busy. Gentlemen in the confidence of other gentlemen emerged from behind every bush. Rumour broke gaol and took a holiday outing. The most impossible things were narrated upon the most unimpeachable authority, and the gossips of Pall Mall and St James's Street indulged themselves in a carnival of belief. Even cold print could not reduce absurdity to a vapour. The cause of the whole crisis, according to one newspaper, was that Lord Northcliffe had asked for the Postmaster-Generalship in the next Unionist Government, and having been refused by Mr Bonar Law, had thereupon determined to wreck the career of that eminent statesman. According to another theory, Lord Derby, as the representative of a somewhat curious coalition between the cotton-spinners of Lancashire and the upholders of the dynastic principle, was not unwilling (though naturally upon his own conditions) to sacrifice his cultured leisure in order to lead the Unionist party to victory. All the people who upon the last occasion had thought that their claims to the leadership were at least as good as those of Mr Bonar Law, were concerned that these claims should not be overlooked a second time. Those who had a following—even a small following—enjoyed a certain advantage. Those who had none sent their private secretaries. King-makers hurried from door-knocker to door-knocker with offers of the crown; but it was currently reported that their favourite candidate was "not at home," while the second favourite had a fit of the gout. Great ladies spun great gossamer webs; but nothing came of them. In these latter days, great ladies seem somehow to have lost their cunning, while retaining all their original charm. The interest of choosing a leader ranks second only to that of being chosen: both are of the most absorbing interest. Not that Mr Bonar Law lacked mourners. Everywhere he was regretted, and by none more emphatically than by those who aspired to take his place. True, he lived

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in a suburb, spoke with a Scots accent, and, according to report, drank nothing stronger than ginger ale; but, in spite of these peculiarities, Tadpole and Taper were genuinely grieved that his pledges should compel him as an honourable man to tender his resignation. For he was a good fellow, and it was through no fault of his own that he was not quite the kind of leader that Tadpole and Taper, and the Tory party, were used to—that Tory party which cherished the patrician memories of Mr Balfour, and Lord Salisbury, and which, looking back on a century of glorious achievement, could felicitate itself upon having been led in turn by Canning, whose mother was an actress, by Peel, who sprang out of a cotton-mill, and by Disraeli, the grandson of a Jew of Leghorn who dealt—though somewhat unsuccessfully—in straw hats.

The resignation of Mr Bonar Law, which, had it taken place, would have entailed that of Lord Lansdowne as well, was prevented only by the firm and united action of the rank and file of the party. That he wished to resign is clear; and the circumstances of the case, taken with what we know of his disposition and character, make it so obvious why he should have preferred to take this course, that it is really not worth while examining the counter-theory of a crafty and calculating ambition. But his party, with but few exceptions, were determined that he should not resign. They liked him both in the House of Commons and in the country. The other side were “triumphing”: once more they were crying out with all the force of their lungs that he “had done for himself at last”; and once more it would be delightful to prove these Liberals wrong. But there were other reasons as well. It was Mr Bonar Law who had got the party into this mess over the food taxes, and it was therefore for him, and not for another, to get them out of it. The Ulster members who take their politics seriously would not hear of swopping horses before the stream was crossed. Mr Bonar Law’s was a name to conjure with in the north-east of Ireland, for had he not justified rebellion and been

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all but excommunicated for doing so? And people with cooler heads than the Irish Unionists fully agreed, though on different grounds, that another change in the leadership would be disastrous to the credit of the party and fatal to its unity. Besides, no other leader was possible. All the "hithering and thithering" during the Day of Dupes had, at any rate, made that fact abundantly plain, if it had done little else. Besides Mr Bonar Law there were only two men on the Unionist side in the House of Commons with the stuff of leadership in them. But of these two, the one—Mr Austen Chamberlain—was impossible because he made no secret of his disagreement with the party upon the matter at issue, and the other—Sir Edward Carson—was no less impossible for the excellent reason that he refused to entertain the idea. And if an additional reason be necessary it is that both of these men, who by their ability, courage, integrity and strength of character are well fitted to play the part of leader, are distinguished also in a peculiar degree by the quality of personal loyalty; and that alone made it inconceivable that either of them would aspire or consent to step into the shoes of Mr Bonar Law.

## VII. THE PARTY MEMORIAL

THIS being the position of affairs it was necessary to find some way of making it plain to Mr Bonar Law, not merely that everybody wished him to remain, but that on no account would he be permitted to retire. The idea of a dinner which naturally suggests itself to the English mind as the way of bringing all human troubles to a happy conclusion was put aside with some regret, perhaps out of a delicate regard for the non-conviviality of Mr Bonar Law's character and habits. The suggestion of a party meeting found little favour in any quarter, for the reason that a gathering of this sort would have meant speeches of a serious

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complexion; conscientious persons would have desired to unburden themselves, to prove their essential consistency and to make their position clear. It was judged to be highly undesirable that anyone should essay so difficult a task, clarity not being so much the particular need of the moment as oblivion. And besides, if such a meeting was to be held, reports were certain to find their way into the newspapers. And what journalist could have been safely trusted, upon imperfect information, to do justice to the refinements of light and shade, of tone and emphasis which it was necessary to convey if the sentiments of the party were to be represented in their true perspective? In the end, it occurred to some man of genius that a "memorial" was the way out of the difficulty. In the early days of January, therefore, a document was drafted and signed without delay by practically the whole of the rank and file of the Unionists in the House of Commons. What precisely was contained in this memorial we cannot say, for it has never been published; but we may surmise that it was not conspicuous for any literary merits, or for the conciseness with which it expounded the political principles of a now happily united party. It was long—that we do know; and various authors had a hand in it. And also from the fact that persons of the most diverse ways of thinking were satisfied with the result, we may, perhaps, infer that every section of opinion had been allowed to insert in it some clause or paragraph to which it could conscientiously adhere. Such addresses of the co-operative sort are not to be judged by a hard standard of logic, as if they were State papers; but more indulgently—as tokens of confidence and good will. They are somewhat in the nature of those emblematic bouquets, presented by the villagers and the tenantry to young brides at their home-coming, wherein the felicities and the moral virtues, and the avocations of the various donors are typified by different flowers of the field and garden. In this spirit was the famous memorial presented, and in this spirit was it received.

It served its purpose. On January 13, after consultation

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with Lord Lansdowne, Mr Bonar Law returned a favourable reply. He pointed out that the memorial had contained two requests—the first, that the programme of the party should be altered in a certain particular; the second, that the leadership should not be changed.

The modification requested by those who have signed the memorial is that if, when a Unionist Government has been returned to power, it proves desirable, after consultation with the Dominions, to impose new duties on any articles of food in order to secure the most effective system of Preference, such duties should not be imposed until they have been submitted to the people of this country at a General Election.

This modification does not seem to us to involve any principle the adoption of which would have prevented us from loyally supporting the course of action desired by the majority of the party. It would, nevertheless, have been more agreeable to ourselves, and in our view more for the interest of the party, that the change of method should be accompanied by a change of leaders.

The memorial, however, which has been presented to me, and which has been signed, not only by those who desire that the method of procedure should be modified, but by those who prefer that it should have remained unchanged, urges upon us that, in the opinion of those who signed it, a change in the leadership "would be fatal to the best interests of the party and of the country."

We feel that, in view of such an expression of opinion from such a quarter, it is our duty to comply with the request which has been addressed to us, and this we are prepared to do.

## VIII. SPEECHES AT EDINBURGH AND ACOCK'S GREEN.

**M**MR BONAR LAW'S first public speech after the crisis was delivered at Edinburgh on January 24. It had been eagerly awaited, but it added little to the previous statement. He dwelt with a particular emphasis upon the "unanimous" determination of the party to alter the existing fiscal policy at the earliest opportunity and to grant a tariff preference to the Dominions without waiting for the food taxes. These might or might not be considered desirable

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at a later stage in order to complete the Preferential system; but in any case they could not be introduced until they had received the approval of the country at a second election. With regard to the reasons for his contemplated resignation, he spoke very simply. The recent change in the programme, although in his opinion it entailed no sacrifice of the policy of Preference, amounted in effect to the rejection of the advice which had been given by Lord Lansdowne and himself as to the methods by which that policy ought to be pursued. A leader whose advice is rejected almost inevitably suffers a certain loss of prestige, and it was of the highest importance that the leadership of the Unionist party should not be impaired in respect and authority. An even more important reason, however, was that he had not believed that the minority of the party which wished to retain the food taxes in the official programme would accept the new situation:—

... I, at least, should have found it absolutely impossible to lead a party in opposition to men whose views I had shared and with whom I had co-operated through all those years.

The letter addressed to me by my colleagues in the House of Commons removed both those objections—both of them. It showed in a way which was quite unmistakable that we still enjoyed the confidence of the Unionist party in the House of Commons, and it gave us the right to hope at least . . . that we enjoyed also the confidence of our party in the country. The letter showed also that all sections of the party were willing to work together and to pursue in common the objects at which we all aim. In these circumstances we felt that it was our duty to remain at the post at which we had been placed.

Mr Bonar Law is remarkably wanting in that dramatic instinct which has distinguished most of our greatest statesmen ; but there are certain occasions when this deficiency may be counted an advantage. By the Unionist party as a whole his reply to the memorial and his speech at Edinburgh were received with a sense of profound relief. They were greeted, however, rather with satisfaction than enthusiasm. The years of wandering in the desert were not

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ended; but they were surely drawing to a close, and men began to fancy they heard the distant music of the waters of Jordan. To the political connoisseur, however, the utterances of the leader upon this great occasion appeared to be sadly lacking in the heroic quality. They contrasted the homely and confidential style, the tone almost of armchair conversation, with what Mr Gladstone, or Mr Chamberlain, or Mr Lloyd George, or Mr Churchill would have said upon a like opportunity. But as the days went by such of these fastidious intellectuals as were possessed of the real critical faculty became aware that Mr Bonar Law had acted more wisely in following the simpler instincts of his own nature than he would have done in playing for some striking dramatic effect. He was in one of those positions where the plea of perfect consistency is ridiculous, where heroics are entirely out of place, and where by far the safest way out is the way of sincerity and simplicity. The austerity of the Wordsworthian ballad was a more appropriate model than the rhetoric and rapture of the *Songs before Sunrise*. But perhaps the chief virtue of all lay in the fact that the manner chosen was the natural manner of the speaker, and not one which he had assumed in imitation of great exemplars and in deference to political conventions. Those superior people who had been inclined at first to carp, began gradually to acknowledge that this quiet Scotsman was much more of a man than they had taken him for. At any rate, he was honest; at any rate, whether fair or not to his opponents, he was true to his own party. He had not intrigued to hold the leadership, but, on the contrary, had wished to lay it down. All rumours and suspicions to the contrary were now blown to the winds by the unsparing candour of his admissions. And though he might be wrong in saying that Preference was possible without the food taxes, at any rate, he believed what he said, and that was an unspeakable comfort after so much uncertainty. With a sigh of relief, the Unionist Party realized that it had got rid of a policy in which it did not believe, and with something like a shock of joyful surprise it likewise

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discovered that its leader was a man with qualities of a much higher order than it had ever supposed.

Good fortune, like misfortune, seldom comes singly. The Unionist Party made a second discovery about this time which greatly raised their spirits. If Mr Bonar Law had won their respect by his modesty, his candour and his personal integrity, Mr Austen Chamberlain won it not less completely by the manner in which he bore himself under adversity. We do not recall any public statement in recent times which has taken so great and immediate a hold upon the conscience of the country as the speech which he made to his constituents about the middle of January. The courage with which he stated his differences from his party, the admirable temper in which he gave his reasons, the manliness with which he admitted the bitterness of his disappointment, and the loyalty with which, while abandoning none of his beliefs or principles, he made it clear that he would be the leader of no schism or faction, but would continue to give what help he could in the promotion of those "great causes whose success is bound up with that of the Unionist Party," made a profound impression upon the whole country. The acknowledgments which he won from his political opponents were hardly less warm and they certainly were not less sincere, than those which he received from his own friends. When the character of a man in public life is suddenly perceived to stand out above his fellows, the instinct of humanity is to cheer and be glad. His greatness is new riches, not merely for the party of which he is a member, but for the commonwealth of which he is a citizen. But it is impossible not to wonder sometimes at the odd ways in which such greatness is made manifest. It was only after Mr Bonar Law's counsel had been rejected and set aside, it was only after Mr Austen Chamberlain's policy had been abandoned, that either the one or the other had the opportunity of showing his mettle, and proving himself for what he was.

So ended the great crisis in the Unionist party—a crisis

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which, as we look back upon events, with the knowledge which we have gained of men's minds during the past few weeks, appears to have been not only inevitable but long overdue. The chief force which has held it back has been a personal loyalty to the great statesman who for six years past has been withdrawn by illness from all political activities. The knowledge of his enduring belief in that policy which owed its beginning to his single efforts, the example of his fortitude, the fear of wounding by the hands of friends that indomitable spirit which has borne itself so firmly under all the strokes of fate, combined to make men shut their eyes to the facts, to ignore the trend and meaning of events, and to defy that current of opinion which, flowing mysteriously like the tides, refuses to be contained or diverted by the most heroic endeavours. The episode is rich in morals of the kind which cannot be overlooked even by the blindest searcher after truth; but, judged fairly, it does not seem to be one of which any party need be ashamed. Devotion to a great man, sympathy with a great idea, are things worth suffering for. In a new region the landmarks are unfamiliar, and it is easy to miss the true line of advance, easy to mistake one gently wending valley for another, till at last it is discovered that the army has arrived at an impasse. Something of the kind happened in this instance; and gradually hope turned into doubt, and doubt turned once more into certainty as the facts were realized and became known for something different from that which men had supposed them to be. But, after all, exclusion from office is not the greatest of all evils, nor is a long course of adversity and humiliation the worst discipline for a party which has previously enjoyed the perilous prosperity of nearly twenty years of office.

## Ancient History

### IX. ANCIENT HISTORY

THE preceding pages have endeavoured to trace the steps by which the Unionist party has revised its programme. We have tried to the best of our ability to explain the motives and forces which have been at work within that party, and which have induced it to abandon, for the time being, at all events, that item which is popularly known as the food taxes, while adhering, or professing to adhere, not only to the principle but to the policy of Preference. And we have attempted also to penetrate and make clear the causes which have led the Unionists to rally round Mr Bonar Law, and which have prevailed with Mr Bonar Law to retain the leadership. It is not our business either to justify the wisdom of these various decisions, or to forecast the results which may be expected to flow from them; but it is desirable in as few words as possible to recall to the minds of our readers how it happened that the taxes which have now been abjured ever came to be included in the policy of a great political party.

The speech of Lord Salisbury to the Colonial representatives at the Conference of 1887 has already been quoted in *THE ROUND TABLE*.\* Even so far back as this, although federation was then still but a dream, the defence of the Empire was already becoming a reality in the minds of British statesmen. At the Conference of 1897 the same note was heard in the speech of Mr Chamberlain. The need for defence had grown more pressing in the intervening decade. Closer union of the Mother Country with her self-governing colonies was desired for purposes of mutual safety, and not merely for the sake of political symmetry. There had been some vague talk in the oversea Dominions about "calling them to our counsels," but nothing came of it. The sentiment of the Dominions was opposed to anything in the

\* Vol. I, pp. 280-2, May, 1911.

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nature of political union which was regarded as a menace to Colonial autonomy, and to anything like substantial co-operation in Imperial defence, because without political union they could have no control over the spending of the funds which they might provide. And there were also other reasons for their refusal to subscribe—the colonies were as yet poor; and also in their opinion there was no danger. “But,” they said with one voice, “let us have reciprocity. Let us begin with trading preferences and trust to luck and the ties of kinship to draw us closer as the years go by.” ... This attempt of Mr Chamberlain, like the previous attempt of Lord Salisbury, therefore, ended in failure.

The South African War, although it had a great effect on sentiment, did not seem to disturb the general sense of security either oversea or at home. After all, had we not lumbered our reinforcements out to Table Bay in spite of the boiling indignation of the whole of Europe? Indeed, the issue of the war rather lulled than sharpened the temporary suspicion of danger which had been aroused by the Kaiser's famous telegram a few years earlier. But, without doubt, the prolonged struggle had stimulated sentiment—a sentiment of unity in history, in tradition, in standards of courage and honour, even in poetry and other immaterial things. But the conference which met under Mr Chamberlain's presidency at the time of the coronation of King Edward, ended as might have been expected in the same failure as had befallen its two predecessors. The things which are Cæsar's are not of the immaterial kind. The practical reason for union and the practical reason for mutual defence were still invisible except to the eyes of the seer, and had no effect upon the decisions of the practical man.

About this time, however, the Dominions, animated undoubtedly by the desire to do something for that Empire of which they formed a part, were beginning to introduce into their tariffs the principle of preferential treatment for British manufacturers; and notably in the case of Canada, the experiment seemed likely to prove itself of substantial

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value. At this time, also, we had ourselves imposed, for purposes of war expenditure, a shilling duty on corn. "Remit this duty in favour of the Dominions," said the Colonial representatives, "and that will be an earnest of good intentions, and a great encouragement to closer union. No human creature will be a penny the worse. Such an act of the Mother Country will have a great effect upon Colonial opinion, and will enable us to carry our present preferences in favour of her products a good deal further."

Mr Chamberlain had failed in his attempts to reach union along other roads, and his indomitable spirit determined to make a trial of this one. None of our politicians has ever held to his projects with more tenacity, but none has ever been more ready to consider new means for carrying them out. It may be surmised that if Mr Chamberlain had not been withdrawn by illness from our recent contests to such an extent that he lost touch to some extent with the forces by which his ideas were opposed, there would have been no such crisis as we have been engaged in chronicling—that he would either have succeeded in imposing the food taxes long ago, or that he would have abandoned them in favour of some other line of advance. Mr Chamberlain came to a decision after the Conference of 1902 that he would adopt the Colonial suggestion and that he would advocate Preference as a means to closer union. The obstacle which stood in the way was the principle of free trade. He submitted his views to the Cabinet before he sailed for South Africa in the following autumn. He formed the impression that his proposals were favourably received by the greater number of his colleagues, and that they were actually opposed by none. Such things are hard to be certain of when the medium of understanding has been an oral discussion. Apparently he was wrong in the conclusions which he had drawn, for he returned from South Africa only to find that the Chancellor of the Exchequer (Mr Ritchie) was determined to resign rather than remit the shilling duty on wheat in favour of the Dominions.

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That Mr Chamberlain was deeply wounded by this decision admits of no doubt; but in the circumstances he had no power to reverse it. The question then arose whether or not the shilling duty should be abolished since it was no longer needed for military purposes. The tax was unpopular, and had been used against the Unionist Government with some effect at by-elections. This was a strong party argument for getting rid of it, and the Cabinet decided that it had better be repealed. It is difficult to believe that Mr Chamberlain fought hard to retain it. Had he done so, it is very difficult to believe that in view of the serious misunderstanding which had arisen, his colleagues would not have consented to retain it, if only by way of compromise or compensation. But, from the point of view of Mr Chamberlain's policy of Preference, the remission was a tremendous blunder. So long as the duty remained on the Statute Book there was at least a chance that the Cabinet might be brought round on the occasion of the next Budget, or of the next again (for the Parliament was still young) to his way of thinking. But when once it had gone, the chance was missed for good and all. To remit the duty in favour of the Dominions would undoubtedly have been popular, and all hostile criticism would probably have appeared to the ordinary man merely as ridiculous pedantry. But to re-impose the duty at some future period, solely with the purpose of remitting it, was also bound to appear to the ordinary man (if he were given time to consider it) in a somewhat ridiculous light.

It is unnecessary to follow the development of the policy through all its subsequent stages. Mr Chamberlain's declaration in 1903 that the basis of Colonial preference must be the taxation of the food of the United Kingdom, was followed almost immediately by acceptance of the principle of protection for British manufactures. The former was a means, in his opinion, to his great aim—Imperial consolidation; but the latter had little or nothing to do with it, and was purely a matter of interest for the people of

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these islands. Not unnaturally, however, as years went by, and the original programme remained unaltered, the attention of the country became more and more concentrated upon the possible benefits of protection, and upon the possible inconveniences of the taxation of food. Such popularity as attached to the proposals was derived from the hope of increased prosperity, and this for many years past has been the chief theme of Unionist speakers engaged in arguing the case. What it is essential to remember, but what is constantly in danger of being overlooked, is that the food taxes were proposed by Mr Chamberlain only for the sake of preference, only because in the then existing circumstances this seemed to be the one way to bring about Imperial union, and only because he had failed, and failed again, to carry forward his great idea along the lines of mutual defence.

To a certain extent it is clear that the food taxes were included in the Unionist programme under a misapprehension of the Colonial view of preference. The "offer" of the Dominions has never at any time contained a suggestion that they were willing to create a fiscal system primarily designed to benefit anybody but themselves. They have said with perfect candour that each member of the Empire should make its tariff to suit its own needs and interests, and with the object of promoting its own development. But having arranged its customs upon this principle, each should then be prepared to concede a preference to its fellow citizens over the foreigner. The food duties, as advocated by the Unionist party, were not based upon this principle, for they were proposed and intended primarily to benefit the Dominions, and not ourselves. This weakness in the argument was not long in being found out. The rise in food prices was not more certainly a cause of the unpopularity of the food taxes, than was the gradual perception that the preferential system, as advocated and preached by the Dominions, rested upon the firm basis of the national interest of each particular unit, while the

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proposals of the Unionist party did not. Logically, the cure for the Unionist dilemma would have been to go forward, to devise a tariff for the benefit of British agriculture, and then to have seen in what directions the new arrangements would have enabled us to give a preference to the Dominions. But this was a big undertaking. It needed not only great courage and imagination, but great authority. Conceivably it was not possible; but in any case it was not done; and as a result the policy of the Unionist party continued to hobble along upon one wooden limb and one sound leg.

By the date of Mr Bonar Law's election to the leadership in the autumn of 1911, Tariff Reform had become primarily a national policy for the United Kingdom, designed to protect the home market from foreign competition, and to enable the people of this country to bargain for special reductions of foreign and Colonial tariffs. This process has just been completed by the dropping of the food taxes in the first month of the present year. The Unionist policy of preference is now identical with that of the Dominions; for its aim is frankly to create a tariff which will be for the national interest, and having done this, to offer, whenever it may be possible, a preference to the Colonies. This great revolution has been accomplished to the surprise of every one without splitting the Unionist party into two. It can hardly be doubted that it would have been impossible to avoid this disaster had the crisis come to a head under the leadership of Mr Balfour. For Mr Balfour was a suspect. This revolution was perhaps necessary for the very existence of the party, but it was only possible, without disaster, under a leader of untarnished orthodoxy.

Things have changed since May, 1903, when Mr Chamberlain startled the world by his speech at Birmingham. They have changed vastly even since 1906 when Sir Henry Campbell-Bannerman sought to put an end to competition in armaments by reducing our naval estimates. The motives

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of the Liberal premier were unimpeachable, but his presence, and his understanding of national rivalries, ambitions, and ideals were wholly at fault. When he was dosing the world with what he conceived to be a gentle sedative he was really administering a tonic of the most formidable potency. But the consequences of this well-meant blunder have not been wholly evil. Though the stimulus thereby given to the naval preparations of Germany and her allies is deplorable, and although the relative shrinkage of the sea-power of Britain is a thing which has caused the gravest anxiety, one result at least has been of inestimable value. The Dominions who are no longer poor have realized at last that there is a danger—a danger which menaces not merely the prestige and pride of the United Kingdom as a continental power but the safety of the whole Empire. Accordingly they have set themselves with a will to discover ways of co-operating for purposes of mutual defence, which even the most carping critic cannot accuse of being unsubstantial. And also the Dominions have been once more "called to our counsels," and at last it would appear that they are now in the mood to listen. These things—the very things which Mr Chamberlain tried vainly to accomplish—have come about under a Liberal Government. Circumstances have changed, but the spirit of the Liberal party has changed also. In seven years of office it has gained vastly not only in knowledge, which might have been expected, but also in vision and in sympathy. The sterile reaction against an imaginary wickedness called Imperialism, which distinguished the first years of the Campbell-Bannerman administration, has gradually spent itself. The attitude of impatience and suspicion, and even of contempt, with which the sentiments of the Dominions appeared at first to be regarded, the hard and narrow spirit which seemed to repel, rather than to encourage the idea of closer union, have given place in many quarters to the same hope and to the same ideal which years ago took possession of the great heart of Mr Chamberlain. The times have changed, and

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things are now possible which were impossible only a few years ago. The causes of such changes in the national consciousness are mysterious and obscure. They are not to be found wholly in the facts, for in that case the great empires of the past would never have crumbled and broken up. Many of the things which Mr Chamberlain tried to do, but in vain, are being done now by his successors. The advance of a great idea, like that of an army, is strewn with failures without which there could have been no victory. The efforts of Mr Chamberlain, his courage and hope which remained constant in the face of every disappointment, the spirit which he created among his countrymen, were in all likelihood essential for achieving that measure of success which has already crowned the efforts of other men.

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No political institution which has ever existed has received so much attention at the hands of historians, lawyers and philosophers as the constitution of the British Empire, and the feature upon which they have agreed most cordially to dwell is the slow and scarcely perceptible process by which it has developed. Volumes have been devoted to telling how Parliament first acquired the legislative powers of the Crown, and afterwards went on to secure control of its executive functions as well. The scene of their story is laid for the most part in England itself. But England is after all only one of a considerable number of communities whose governments now derive the powers they wield directly or indirectly from the same legal source. The English constitution has in fact been extended from time to time in such a way as to take in at particular moments whole communities beyond the boundaries of England itself and the process by which this has been effected has received but small attention at the hands of the studious; for these successive inclusions were effected in a manner which little resembles the tree-like process of growth which is commonly regarded as the most notable feature in the development of the constitution.

The operation by which the separate kingdoms of England

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and Scotland were brought within the scope of the same constitution is the one which this article proposes to examine, because it was the first case in which this operation was successfully attempted. Before 1707, the year in which the Union took place, the Scottish Parliament was in no sense subordinate to the Parliament of Westminster. The one formal between the two kingdoms was the link of the common Crown. In the seventeenth century, however, the link of a common Crown was what it was not in 1782, a substantial bond of government—far more substantial than the sentimental tie of a common allegiance. The prerogatives of the Crown and their personal exercise by the sovereign went far to provide an absolute guarantee of common action in matters of common moment.

During the Stuart regime indeed the powers exercised by the Crown were such that conflicts of allegiance were impossible, simply because of the excessive subordination of Scotland to the king of England. The Scottish ministers were appointed by the personal will of the king and held office during his personal pleasure. During the early part of the seventeenth century the revenue from the royal domains was sufficient to meet most of the normal expenses of government. Lastly, before 1688 the powers of the Scottish Parliament were delegated to the Lords of the Articles—a committee of thirty-two, appointed in fact by the Bishops, who in their turn were the nominees and the creatures of the Crown. So far as concerned the practical effects, as opposed to the forms, of government, the two kingdoms would have been one but for the tariff barriers on the border and the superior, though far from supreme, powers of the English Parliament in domestic affairs.

The constitutional change effected by the Revolution of 1688 could not be limited to the domestic affairs of the two kingdoms. It extended inevitably to their mutual relations. The most prominent result of the Revolution in Scotland was the abolition of the Lords of the Articles, and the consequent restoration of the Scottish Parliament to its

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proper place in the constitution. The Parliament was no longer the servile instrument of an autocrat in London; it became the reasonably representative vehicle of Scottish opinions and Scottish aspirations. Under the Claim of Rights it began to assume functions never dreamed of during the regime of the Lords of the Articles. Every increase in the powers of the Scottish Parliament naturally involved a diminution of the powers of the king of Scotland, that is to say of the central authority. It is equally evident that, since the change was proceeding simultaneously in both kingdoms, the powers taken from the common sovereign must be divided between the two national Parliaments. Consequently the curtailment of the prerogatives of the Crown involved in fact the grant of local self-government, such as is now enjoyed by the Dominions. The unsurrendered prerogatives of the common Crown were exactly parallel to the powers at present retained by the Imperial Government, in so far as they were the guarantee of some measure of central control. It is true that the king in the Scottish Parliament was legally supreme in all Scottish affairs, both internal and external, and possessed that full legislative sovereignty which is denied to every Parliament in the Empire with the exception of the Imperial Parliament. The distinction, however, is little more than technical. The sovereignty of the Scottish Parliament was limited by something more effective than a constitutional principle or a section in an Act of Parliament—the certainty, namely, that the king of England and Scotland would give preference to the interests of the richer and more powerful kingdom in the exercise of his still considerable prerogatives.

As regards the executive power there was even after the Revolution some guarantee of uniformity of action. The king still appointed his ministers in fact as well as in name; and in making appointments in Scotland, he was naturally influenced by the advice of his ministers in England. But it must be remembered that ministers in Edinburgh were far

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less subject than those in London to the personal influence of the Crown. Their remoteness from the Court and the comparative pettiness of ordinary Scottish affairs gave them a degree of independence which was not possessed by the ministers of England. In a moment of crisis they were more likely to shape their conduct to suit Scottish national sentiment as expressed in the Scottish Parliament, than to feel bound by the exigencies of English policy.

The essential similarity of the two cases will become clearer if we consider the position of Scotland in relation to some of the matters which at present belong exclusively to the province of the Imperial Parliament. The most important of these are the Crown, war and peace, and foreign policy in general.

The Scottish Parliament not only possessed, but actually exercised the right of dealing both with the prerogatives of the Crown and the succession. But an alteration of the succession led demonstrably to actual separation, and it quickly became evident that any extensive limitation of the prerogative meant a condition of virtual separation. England did not deny the legal rights of the Scottish Parliament, but she was prepared to fight rather than accept the consequence of their exercise. Similarly an attempt by any Parliament within the Empire to tamper with the Crown would be equivalent to a declaration of independence, and Great Britain would have no option except to fight or to submit. The two processes might be called by different names, but the hard facts are essentially the same.

Foreign policy with its attendant questions of peace and war during the greater part of the seventeenth century was under the direct personal control of the sovereign. The Revolution of 1688 established two principles—firstly that the king must act on the advice of ministers reasonably acceptable to Parliament; and secondly that, though the king might declare war, money to carry it on could be provided only by Parliament. With regard to the first point it is tolerably clear that no king could conduct his foreign policy

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on the advice of two sets of ministers, working possibly to incompatible ends. Scotland, moreover, had no foreign minister and no ambassador of her own, so that the Scottish executive was quite out of touch with the affairs of Europe. Even in matters of ordinary routine justice Scotland could make her voice heard only through English ministers. In 1695, for example, the governments of Algiers, Tunis and Tripoli were discriminating between the trading ships of England and Scotland to the serious detriment of the latter. It was then necessary for the Scottish Chancellor to make a formal complaint to Shrewsbury, and Shrewsbury in his turn issued orders to the admiral commanding in the Mediterranean to have the matter put right.

The Scottish Parliament of course had the power to withhold supplies if it was dissatisfied with the conduct of affairs abroad. But Scotland at the time was lamentably poor. Her total revenue was less than a tenth of the sum annually spent by England on the army, navy and ordnance alone. In these circumstances it was inevitable that the king's foreign policy should be dictated by his English ministers, and dependent on the financial support of the English Parliament. The Scottish Parliament could only assent with what grace it could muster or vent its impotent wrath on its equally impotent ministers.

In the matter of armaments again, Scotland had only a negative voice. She possessed, indeed, a navy and army of her own—a navy of three small frigates, an army of some 3,000 men, and a militia which, according to James Hodges, was nothing but "an undisciplined mob." But just as the wars of the seventeenth century were the king's wars, so were the armed forces of each kingdom pre-eminently the armed forces of the Crown. The personal relation of the sovereign to the army, which lingered on as a constitutional fiction until Victorian days, was then a living reality. It followed that the Parliament might refuse to support an army, but it had only a very small and a very indirect voice in the employment of the troops it voted. Even the intractable

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patriot, Andrew Fletcher of Saltoun, ardent for the success of the Darien colonization scheme, bowed without question to the authority of the sovereign in this matter.

It will also be fit, [he suggested in 1698] that the Company petition the Parliament to address His Majesty that the three small frigates lately built at the expense of this nation may be appointed for a convoy to the next ships they shall send out.

It would be difficult indeed for legal sovereignty to express itself in terms more circuitous or more modest.

We may sum up the general situation thus. Scotland had full autonomy in local Scottish affairs, subject only to the veto of a remote sovereign. She had, and could have, no foreign policy of her own. She felt herself bound in honour to contribute to the wars of the common sovereign, but she had and could have no voice in their determination. She was represented abroad by English ambassadors, and every trivial dispute with a foreign power had to be settled through London. It is clear that in all essential particulars the position of Scotland in relation to the broader aspects of what we may call Imperial policy corresponded closely to the position of the Dominions to-day.

In less than twenty years the situation had become intolerable to both countries. To understand exactly how and why it became intolerable, it will be necessary briefly to survey the main events of Scottish history up to the year 1707.

The central feature of the period in Scotland was the growth of commercial interests at the expense of theological interests; and this growth profoundly affected the attitude of Scotland both towards England and towards foreign powers. So long as international differences tended to run on theological lines, Scotland was always ready to stand by England in defence of the Protestant interest without murmuring and without question. The commercial revival brought the danger of conflicting interests very near. In matters of trade Scotland was really, as well as nominally,

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autonomous. In matters of trade her interests might, and probably would, run directly counter to those of England. In matters of trade she might well provoke a quarrel with a third party, and in such a quarrel it would be difficult for the English Parliament to refuse support to the king of Scotland. At the very least England might be called upon to provide convoys for the ships of her commercial rivals.

The very real nature of those dangers was completely demonstrated by the story of the Darien Company. In 1695 the Royal assent was given on the king's behalf to an Act of the Scottish Parliament which incorporated "the Company of Scotland trading to Africa and the Indies," gave the Company a thirty-three years' monopoly of the trade with Asia, Africa and America, and exempted its merchandize, with a few specific exceptions, from all import duties. An Act of the previous session authorizing the incorporation of such companies had further provided that if traders

happen to be attacked and violently seized or otherwise disturbed by persons not in open war with Their Majesties, that then and in that case Their Majesties would be pleased to order, that the recovery of the ships and goods so seized or otherwise molested and hindered be carried on and prosecute by publick means and at publick expense.

The true purpose of the Company—known at first only to very few persons—was to found a Scottish colony on the Isthmus of Darien, and by that means to intercept all the trade coming from the East Indies and convey it to Scottish ports. The scheme was received with the utmost enthusiasm in Scotland. On it were centred all the commercial hopes and ambitions of the nation, and every available penny of capital was invested in the Company's stock.

The financial history of the scheme does not concern us, but it is of the utmost importance to notice three main points. In the first place the settlement, if successful, would have involved a serious interference with the trade of the East India Company. It could hardly be expected that

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English traders would sit quietly by while the riches of the East poured into the ports of Scotland duty free, and were smuggled thence over the border, duty free again.

In the second place the Isthmus of Darien, though occupied only by a few Indians, was by the law of nations indubitably part of the dominions of the Spanish Crown. Spain was a decadent power, but hardly so decadent as to allow the insertion of an alien wedge in the centre of her American possessions. There was a real danger that William, king of Scotland, might be engaged in war with the Spaniards of America, just at the time when William, king of England, was striving his utmost to keep Spain herself in alliance with the Protestant powers against France.

Lastly, if the trade of the Company was to be protected, it could be protected only by the English navy. Hitherto Scotland had asked for convoys not in vain. But it was unthinkable that the English fleet should be used to further an enterprise designed to diminish England's private wealth and public revenue—an enterprise which could hardly fail to run counter to England's settled policy in Europe. Not unnaturally both English Houses protested vigorously against a measure which "did seem to engage the shipping and strength at sea of this nation to the great detriment even of this kingdom."

The king was compelled to disavow the Company, to dismiss the Scottish ministers who had encouraged the proceedings and, in accordance with treaty obligations, to issue a proclamation in the English colonies forbidding the dispatch of assistance to the Scottish settlers. Inexperience and a pestilential climate rendered further steps unnecessary. One ship indeed was captured by the Spaniards, but the scheme was a lamentable failure before that act of overt hostility. Scotland, on the other hand, sore at the failure of her darling project, was disposed to lay the whole blame upon the English Government. As a member of the Scottish Parliament put it, the episode "had raised an insuperable jealousy in the Scots nation, which could not

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fail some time or another to break forth in consequences dangerous to both nations."

The keenness of the disappointment naturally provoked an inquiry into the whole question of Scotland's relation to the king's policy and to her powerful neighbour. The incident had brought to light one indisputable fact—that English ministers were prepared not only to refuse assistance to Scottish projects of which they disapproved, but even to procure the dismissal of Scottish ministers for favouring schemes which had the enthusiastic support of the Scottish people. There were other grievances which an examination of the whole problem could not fail to reveal. Scotland, not largely indeed, but according to her means, contributed to the king's wars, yet she had no voice in the policy which necessitated them. At the best of times patronage and promotion came from London, with the result that politicians looked there instead of to Scotland for advancement or disgrace. All these conditions were obstacles to the attainment of Lord Tweeddale's ideal—"to make a Scots nation stand upon a Scots bottom."

It is apparent that all these obstacles arose from the employment of the prerogatives of the Crown by English ministers or in accordance with their advice. "Therefore," said the nationalists, "let us limit the prerogatives of the Crown in Scotland, as we are entitled to do, and the undue influence of English ministers will become an impossibility." The uncertainty of the succession at the death of Queen Anne provided a golden opportunity for limiting the prerogative. Consequently the history of the Scottish Parliament during the early years of the Queen's reign is the history of various attempts so to define the powers of her successor as to secure the sovereignty of Scotland from English encroachments.

The limitations proposed were directed to two main objects—firstly to free Scotland from the chains of English foreign policy, and secondly to transfer the patronage of the Crown in Scotland to the Scottish Parliament.

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In connexion with the former object it will be convenient to notice one move of the Scottish Parliament which was not concerned with the limitation of the prerogative. For it illustrates admirably the temper in which the subject was approached. In 1703, while the war of the Spanish Succession was still in progress, a bill passed the Scottish Parliament which repealed the prohibition to import French wines into the country. In itself the bill was a mere breach of the conventions, which was justly condemned by such good patriots as Fletcher of Saltoun and Lord Tweeddale, as well as by a considerable body in the Scottish Parliament. The trade affected was probably insignificant in the extreme, even when the seas were clear of English privateers and men-of-war. But the bill was pregnant with possibilities. It suggested that Scotland was at liberty to treat alone with the king's enemies, and possibly by her conduct in time of war to secure preferential treatment at the conclusion of peace. It was an attempt to remedy by independent action Fletcher's complaint that Scotland was "engaged in every war and neglected in every peace." Incidentally, the extent of the extremists' victory may be gauged from the fact that a clause providing "that no Scots ship should trade directly with France now in time of war," provoked considerable opposition in the Scottish Parliament, and was withdrawn in consequence.

The Act of Peace and War, passed in the same session, dealt with the difficulty in a more regular and constitutional manner. This Act provided that, after the death of Queen Anne and failing heirs of her body,

no person being king of Scotland and England shall have the power of making war . . . without consent of Parliament, and that no declaration of war without consent aforesaid shall be binding on the subjects of this kingdom.

This Act clearly involved something more than a possible cessation of war contributions. It meant that Scotland was aspiring to stand as a nation among the nations, to

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conduct her own negotiations, and to devote what strength she possessed to the attainment of her own specific ends. Consequently we find a simultaneous movement to make provision for Scottish representation in foreign capitals. As early as 1698 Fletcher had written in the following terms:

His Majesty's Ministers abroad paid by the Crown of England are no longer to be looked upon as ministers for the Crown of Scotland. Since we are separate kingdoms and have separate ministers at home, we ought to have separate ministers abroad: especially in an affair wherein we may have a separate interest from England, which must always be in matters of trade. . . Neither ought we to have separate ministers only upon the account of trade, but upon all occasions wherein the honour or interest of the nation is concerned. That we have not had them formerly since we were under one king with England, was I suppose to save charges, and because we trusted to the impartiality of such as we judged to be the ministers of the king of Great Britain.

These views finally issued in a bill which passed the Scottish Parliament in August, 1705, providing that ambassadors representing Scotland, and accountable to the Parliament of Scotland, should be present whenever the king had occasion to treat with foreign princes or states.

In the light of this movement it becomes apparent that the proposal to transfer Crown patronage to the Parliament was a question of far more than domestic import. Its true bearing and its true import can best be understood from a speech in support of it delivered by Fletcher of Saltoun in 1703. After dwelling on the drain of Scottish money caused by the attendance of the wealthiest Scotsmen at the English Court, he said this:

This limitation will secure to us our freedom and independence. It has been often said in this House that our Princes are captives in England; and indeed one would not wonder if, when our interest happens to be different from that of England, our Kings, who must be supported by the riches and power of that nation in all their undertakings, should prefer an English interest before that of this country. It is yet less strange, that English Ministers should advise

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and procure the advancement of such persons to the Ministry of Scotland as will comply with their measures and the King's orders; and to surmount the difficulties they may meet with from a true Scots interest, that places and pensions should be bestowed upon Parliament men and others: I say these things are so far from wonder, that they are inevitable in the present state of our affairs. But I hope they likewise show us that we ought not to continue any longer in this condition. Now this limitation is advantageous to all. The Prince will no more be put upon the hardship of deciding between an English and a Scots interest: or the difficulty of reconciling what he owes to each nation in consequence of his Coronation oath. Even English Ministers will no longer lie under the temptation of meddling in Scots affairs, nor the Ministers of this kingdom, together with all those who have places and pensions, be any more subject to the worst of all slavery. But if the influences I mentioned before shall continue, what will any other limitation avail us? What shall we be the better for our Act concerning the power of War and Peace: since by the force of an English interest and influence, we cannot fail of being engaged in every war, and neglected in every peace?

From this speech it is apparent that Fletcher had much more in his mind than a mere domestic arrangement of patronage. The claim was this—that Scottish ministers should be independent not merely of English ministers, but of the Crown itself. The limitation, if carried, would have cut every link between the two kingdoms except that of the titular sovereignty. In Scotland itself the proposal was freely criticized on the ground that it aimed at a republican form of government.

From the international point of view the matter was still more serious. The prospect of the ambassadors of the king of Scotland at loggerheads with the ambassadors of the king of England was a sufficiently sorry prospect. There could be little expectation of anything but disaster when the ambassadors of the king of Scotland were replaced by the ambassadors of the Parliament of Scotland, directed by a government deliberately out of touch with the Crown and its English advisers.

One thing at least was obvious, that this idea of virtual separation could be nothing but a sham, unless Scotland possessed a considerable armed force. It was equally obvious

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that Scotland, in her existing condition of poverty, could not support a considerable standing army, and still less a reasonably adequate navy. To meet the difficulty it was proposed to arm the Protestant subjects of the kingdom, or in other words to revive the militia and give to it some measure of discipline and training. But it is clear that there was only one enemy against which such a force could be used, and that enemy was England. This inference is well borne out by Fletcher's speech on the Bill of Security for arming the Protestant subjects in 1703.

If we are not rich enough, [he said], to pay a sufficient number of standing forces, we have at least this advantage, that arms in our own hands serve no less to maintain our liberty at home than to defend us from enemies abroad. . . . For us . . . to continue without arms is to be directly in the condition of slaves: to be found unarmed in the event of Her Majesty's death would be to have no manner of security for our liberty, property, or the independency of this kingdom. By being unarmed, we every day run the risk of our all, since we know not how soon that event may overtake us: to continue still unarmed when by this very Act now under deliberation we have put a case, which happening may separate us from England, would be the grossest of all follies.

The proceedings of the Scottish Parliament aroused comparatively little interest in England at the time. English statesmen, absorbed in a great European struggle, cared little for the rhetoric of Scottish nationalism: possibly very little of it reached their ears at all. Scotland, however, had one weapon more effective than any extemporized militia—the weapon of the succession.

England was intensely anxious to see the Stuart family definitely excluded by statute from the throne of Scotland. In response to repeated exhortations from the throne to settle the succession, the Scottish Parliament passed in 1703 the Act which was the final outcome of the debates we have been considering, and which is known as the Act of Security. The Act was passed by a combination of the Jacobites and the Nationalist Whigs; and the vagueness

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of its terms is due to the necessities of this coalition. The Jacobites welcomed the doubt as to the succession, because it meant that the door was not definitely closed against the return of the Stuarts. The Nationalists welcomed it because it provided them with an admirable instrument for extorting favourable terms of settlement from England. The Act provided that at the death of Queen Anne the Estates of Scotland should meet and nominate a successor. This successor was to be of the royal line of Scotland, and a Protestant, but was not to be the person who succeeded to the Crown of England, unless during her Majesty's reign such conditions of government were settled "as may secure the honour and sovereignty of this crown and kingdom, the freedom, frequency and power of Parliaments, the religion, liberty and trade of the nation from English or any foreign influence." In other words, Scotland would sever the last connexion with England unless all the nationalist eloquence of 1703 were condensed into Acts of Parliament. One item of the Nationalist programme was definitely included in the Act—the provision namely for arming the Protestant "fencible men of the kingdom."

In the face of so direct a challenge the High Commissioner could take but one course: and he refused accordingly to touch the bill with the royal sceptre. The Parliament retaliated in the following session by refusing to grant supplies until the royal assent was given. There was a very real danger that the army would go unpaid just at a time—before the news of Blenheim arrived—when a French invasion of Scottish territory was expected almost hourly. In the circumstances, Godolphin advised the new High Commissioner, Lord Tweeddale, to give way, and the bill became law as it stood.

It was now England's turn to apply pressure. An Act was passed by the Parliament of Westminster, which declared that unless the Scottish succession were settled by Christmas Day, 1705, Scotsmen were to be held aliens and incapable of inheriting land, that no arms or horses

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were to be exported to Scotland, and that no Scottish cattle, linen or coals were to be imported into England. It is interesting to notice that the bill, as originally passed by the House of Lords, contained a provision "that the Lord Admiral or Commissioners of the Admiralty for the time being be required to give orders to Her Majesty's ships to take such ships as they shall find trading from Scotland to France or to the ports of any of Her Majesty's enemies." The Commons rejected this bill on a question of privilege, and substituted for it a bill drawn on the same lines but omitting this particular provision. Stronger emphasis was given to the proceedings of Parliament by the mobilization of the militia in the northern counties.

England's point of view was perfectly intelligible. She could not tolerate a Jacobite dynasty north of the Tweed, with its inevitable consequence of disaffection and possibly rebellion on the part of the English Jacobites. The idea of an independent Scotland, either under a Protestant dynasty or a republican form of government, was equally unthinkable to English statesmen. The Act for the importation of French wines was a sufficient indication of the danger that Scotland might avenge herself for real or fancied insults by reverting to her traditional policy of leaning on France. If Scotland felt that she could not be a nation except in separation from England, England was equally convinced that the independence of Scotland would be a direct menace to her own security.

With Scotland threatening separation and England threatening war, the situation in 1705 was perilous in the extreme; and it is worth while to notice that the immediate cause of the quarrel was in reality a side issue. There was no real dispute about the succession. Scotland had just as much cause as England to exclude the Stuarts in perpetuity, and though high words were spoken about the House of Hanover, Scotland never suggested seriously an alternative line. The question of the succession, however, was one of those questions of common moment in

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which the presumption was that England would lead and Scotland would follow. Accordingly it afforded an admirable fighting ground for the upholders of Scottish national dignity. But the real difficulty extended far beyond the bounds of this particular problem, and would inevitably have come to light even if the Queen had left an heir to the throne. Briefly the difficulty was this—that the nationhood to which Scotland aspired was incompatible with a common foreign policy. Scotland did not object to supporting the European wars of the king of Scotland; she did object to supporting wars in which she had no voice and little interest. English ministers on the other hand were ready to champion the cause of Scotland, when it did not conflict with the interests of England. They were bound, in their own interest, to protect the coasts of Scotland from attack. They accepted the honourable obligation to convoy Scottish merchant ships in time of war. But they were not prepared to use the resources of England to further Scottish adventures adverse to English and consequently to the common interests. Scotland did not choose the road of separation because she was hostile to the English connexion as such. England was not averse from Scottish autonomy as such; she merely maintained her right to give preference to the wider interests of which she was the guardian. The situation was intolerable, not from the aggressiveness of Scotland or the arrogance of England, but from the essential nature of political man.

“Historical parallels,” said Lord Morley in a recent address, “are a snare to working statesmen.” Certainly historical parallels may be used, like many another form of reasoning, to bolster up a mistaken policy and justify it to its authors. But after all, the psychology of nations can only be known from the history of nations, and the psychology of nations is the very essence of the science of politics. It remains then to be seen whether any contribution to the larger science can be extracted from this brief study of Scottish history.

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It will conduce to clearness of thought if we recapitulate, even at the risk of repetition, the main features of the situation. Scotland and England were two political communities endowed with separate, though similar, constitutions and independent executives under the Crown. Owing to the fact that the king of Scotland was also king of England, they were in practice, for the purposes of foreign relations, one political community. Those affairs which were common to both kingdoms, namely foreign affairs, were inevitably administered by the more powerful of the two. Scotland, once cured of her passion for arid controversy, found that she could not stand still. She could not stand for ever conning the riddles of divines. She felt the need for national expansion, for increased wealth and power, for a more exalted status in the world. She too would people the waste places of the earth and reap the rich harvest from over the seas. Her first great venture was a disastrous failure, chiefly through bad management and lack of information. Incidentally the failure revealed the fact that Scotland's aspirations towards wealth and power conflicted with England's wider interests. For Scotland meekly to have accepted this situation would have meant to stand still again and to be lost in hopeless stagnation. To go on meant to accept the full responsibilities of sovereign nationhood. This was the nobler course, and Scotland chose it. She claimed accordingly a voice in the making of peace and war. She claimed the right to appoint ambassadors to champion Scottish rights against the world at large. She would have acquired an army and a navy had she but possessed the means to create them. In default, her nationalist citizens proceeded to arm themselves.

This was the road of nationhood—the method by which Scotland might become a people instead of an appanage of the English Crown. In the opposite direction lay the road of submissive co-operation. If Scotland had chosen this road she would have surrendered all her national ambitions, she would have discarded all her national responsi-

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bilities. She would have been dragged behind the chariot of English foreign policy, and would have received small thanks when she put her puny shoulder to the wheel to free it from the rut. There would have been no crisis indeed, but neither would there have been a Scottish nation.

These were the considerations which influenced the conduct of the Scottish Government. It is almost more important, from our present point of view, to consider the influences which were at work upon the Scottish citizen. Scotsmen had to choose between loyalty to Scotland and loyalty to the English connexion, between obedience to a Scottish Government, responsible to a Scottish Parliament, and obedience to the English Government, which was the guardian of wider interests, but was not a Scottish government. So soon as the two nations ceased to be co-ordinated by the autocratic powers of the common Crown there was in fact a clear issue of divided citizenship. There was no organ of government which could express unequivocably the common aims of the two kingdoms. However conscientiously the English Government might safeguard Scottish interests, Scotland had no proprietary interest and consequently no faith in it. At the first hint of conflict Scottish opinion ranged itself unquestioningly on the side of the Scottish Government—the visible symbol of Scottish nationhood, and the direct object of Scottish loyalty. The material advantages of the English hegemony were many and conspicuous, but the claims of a near and actual government are usually more powerful than the remote prospect of material advantage. A united Greece might have monopolized the wealth and power of the Mediterranean; but the Athenian was first a citizen of Athens and only secondarily a Greek. Germany might have become a world-power centuries back: but the Würtemburger thought more of a sovereign Würtemburg than of a united and powerful Germany. It was Grattan himself, an ardent and sincere advocate of Irish co-operation in British policy, who declared:

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If any body of men are justified in thinking that the Irish constitution is incompatible with the British Empire, perish the Empire! live the Constitution!

If the histories of Greece and of Germany display the weakness consequent on divided citizenship, the history of Scotland shows how rapidly and how disastrously its dangers may develop. What then is the remedy? The first instinct of Scotland was to surrender all that part of her citizenship which consisted in allegiance to the king of England, and so to extend the functions of the Scottish executive that it could command obedience in all departments of national life. This was separation. The first instinct of England was to resist this development at all hazards, and to impose by force of arms the necessity of obedience to the English executive. The peculiar circumstances of Scotland certainly enhanced the dangers involved in separation, but it is well to remember that Great Britain did not shrink from war to prevent the secession of the American colonies, and that the North did not shrink from war to prevent the secession of the South.

War therefore is a contingency with which we must reckon if we are to weigh every possibility and anticipate every emergency. But it is of far more urgent importance to notice that all solutions, warlike or peaceful, must possess one common feature. They must replace a doubtful allegiance by a clear allegiance, a divided allegiance by a single allegiance. Conquest, like separation, reconciles conflicting citizenships by destroying one of them. The effectiveness of the remedy depends directly on the effectiveness of the destruction. The remedy by absorption is a remedy only less drastic than that of conquest, and it has the disadvantage of tending to destroy that narrow, local patriotism which is always a valuable political asset. It may be necessary, as the absorption of Hanover by Prussia has proved, but it will seldom be adopted willingly except in the face of urgent danger.

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It is interesting to notice therefore that a middle course was discussed at the very outset by the Commission which settled the terms of Union in 1706. The proposals emanated from the Scottish Commissioners, and their purport is expressed broadly in the amendment moved by the Duke of Hamilton to the Bill of 1705 authorizing the appointment of Commissioners. The amendment was as follows:

That the Union to be treated on should no ways derogate from any fundamental laws, ancient privileges, offices, rights, liberties and dignities of the Scots nation.

Taken literally, such a condition would clearly have precluded any form of organic union whatsoever. It was indeed in accordance with all the precedents of history that Scotsmen should cling tenaciously to that citizenship which was nearest to them and most intimately their own; that they should desire to enjoy the strength which comes from union without undertaking the responsibility of a wider and paramount citizenship. It was inevitable too that this attitude of mind should express itself in a series of negations. This, for example, is how Daniel Defoe described the debate on the Articles of Union when they were returned to the Scottish Parliament:

And thus now stood the debate. "No incorporating Union" was the word. "Let us have an union with England with all our hearts; but no incorporation; let us keep our Parliament—keep our sovereignty—keep our independency—keep our constitution: and for all the rest we are ready to unite with you as firmly as you can devise."

The following resolution, moved by the Marquis of Annandale in November, 1706, states the same view in more explicit language:

That we are willing to enter into such an Union with our neighbours of England, as shall unite us entirely and after the most strict manner, in all their and our interests or successions, wars, alliances and trade, reserving to us the sovereignty and independency of the crown and monarchy, and the ancient privileges and immunities

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of the kingdom, and the constitution and frame of the government, both of Church and State, as they stand now, established by our fundamental constitution, by our Claim of Right and by the laws following thereupon.

This was only another way of saying that Scotsmen would retain their separate Scottish citizenship, and, as citizens of an independent kingdom, would offer England a perpetual alliance and a commercial treaty. The proposals did not touch the root of the difficulty. Either the alliance and treaty were shams and revocable at will, or else they involved obedience to the English executive government. The one alternative involved separation; the other involved a continuance of divided citizenship.

Exactly the same must be said of two suggested solutions, which seem at first sight to go beyond the difficulties of the moment. The first, that of Andrew Fletcher, is remarkable more for the personality of its author than for its bearing on practical politics. The plan suggested formed part of a Utopian scheme for dividing Europe into states so constituted as to eliminate the possibility of wars of conquest. We know, however, from the following passage that it was suggested by the situation in Great Britain:

I considered that in a state of separation from England my country would be perpetually involved in bloody and destructive wars. But if we should be united to that kingdom in any other way, we must of necessity fall under the miserable and languishing condition of all places that depend upon a remote seat of government.

The essence of the scheme was the division of Europe, in accordance with geographical features, into ten provinces, of which the British Isles were to be one. Each province in its turn was to be divided among ten or twelve sovereign city-states. The British territory, for example, was to be divided among London, Bristol, Chester, Norwich, York, Stirling, Inverness, Dublin, Cork, Galway, and Londonderry. Each of these city-states was to be an independent kingdom. "All the same offices that belong to

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a great kingdom must be in each of them." Each was to have its own laws, its own administration of justice, its own militia, and its own fortresses. Fletcher, mindful "as to the military part in which principally such a union has to exert its power," placed the whole province under a single monarch. To ensure impartiality the monarch was either to be peripatetic or else to reside in a sort of neutral zone.

Of this fantastic scheme it will be sufficient to say that it might possibly preclude the difficulty of divided allegiance, because it is difficult to see how the king of the province, as such, could command from any one of his subjects any but the most dim and sentimental allegiance. Fletcher's admitted model was the Achaean League—one of the most futile of the many futile leagues which have sought power in jealousy and disunion. When we come down to facts we find him on the side of those who hold that virtual or acknowledged separation and the abolition of every organ of common counsel are the surest guarantees of active, constant and ungrudging co-operation.

Remove, [he said], the English influence on Scottish affairs and cut off the inducement to frequent the English court, and the main cause of Scottish depression will be eradicated. For we shall then be possessed of liberty and be free from the corruption of a Court. We shall have the certain and constant alliance of a powerful nation of the same language, religion and government lying between us and all our enemies both by sea and land, and obliged in interest to keep perpetual peace and amity with all of us.

The second suggestion came from Benjamin Furley, a detached Rotterdam merchant, and the friend of George Fox. Writing to Shrewsbury in December, 1706, he censured the Scottish Parliament for being unwarrantably complacent over the details of the Union.

I should rather, [he continued], see such a Federal Union as betwixt the seven provinces, who do each keep their own sovereignty, laws, rights and customs, which, in my mind, does as well preserve the union against all attempts of France to disunite us. Whereas

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this Incorporating Union seems to lay such seeds of dissension, animosity and heartburning that in unmortified men that are not masters of their passions, must needs produce the quite contrary of an union of spirits and interests.

And I pray God it breaks not out into tumults and war, and makes them not seek another King than that of England, if her Majesty (whom God long preserve) should soon die. And then France will have his will with a witness.

The United Provinces of the Netherlands furnished an obvious precedent for the eighteenth century constitutionalist, and must have inspired a great deal of this so-called "federalism." It is therefore important to estimate the value of the precedent. Each of the seven provinces had provincial estates and a provincial stadholder. Affairs common to the confederacy were transacted in the Estates General, which consisted of delegates from the provincial estates. The federal executive was vested in an elective chief stadholder and a Council of State. The Estates General could not make peace or war, could not levy any tax or conclude any alliance without the consent of the provincial estates, and the provincial estates could not give their consent till they had been authorized to do so by all the municipalities represented in them. Further, each province was technically a sovereign state in relation to foreign powers, though Holland alone had the right to be represented at the Courts of Paris and Vienna.

On the face of it the machinery for common action was slow and cumbersome to an almost unexampled degree. In the Low Countries it worked well only because all power, local and federal, was in the hands of a narrow bourgeois oligarchy, guided by common interests and imbued with common ideals. How far could such a constitution have solved the problem of divided citizenship? The answer surely is this. The Dutchman in the last resort was the citizen of his municipality, and of his municipality alone. All other organs of government possessed only delegated powers. The central government could not command

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allegiance; it could only recommend a policy. If the policy recommended was in fact usually carried out, the reason was twofold. The sense of common citizenship was kept alive by the wholesome terror of French aggression; and the centrifugal force of municipalism was balanced by the steadfast solidarity of the bourgeois governing class. The texture of the social fabric was so uniform that the seams, however botched, were hardly apparent. It would in fact be truer to say that the whole problem of Dutch citizenship was obscured by eminently peculiar circumstances than that the constitution of the United Provinces provided any solution. There was absolutely no provision for reconciling mutual jealousy, conflicts of interest, or ultimately conflicts of civic duty.

The fate of the various Scottish proposals at the hands of the English Commissioners can best be gathered from Lord Belhaven's account of the first day's proceedings:

I am informed, my lord, [he said in the Scottish Parliament], that our commissioners did indeed frankly tell the lords commissioners for England, that the inclinations of the people of Scotland were much altered of late in relation to an incorporating union; and that therefore . . . it was proper to begin the treaty upon the foot of the treaty of 1604 year of God, the time when we came first under one sovereign; but this the English Commissioners would not agree to and our Commissioners, that they might not seem obstinate, were willing to treat and conclude in the terms laid before this honourable House and subjected to their determination.

If the lords commissioners for England had been as civil and complaisant they should certainly have finished a federal treaty likewise that both nations might have the choice which of them to have gone into, as they thought fit; but they would hear of nothing but an entire and complete union, a name which comprehends an union either by incorporation, surrender or conquest; whereas our Commissioners thought of nothing but a fair, equal, incorporating union. Whether this be so or no I leave it to every man's judgement; but as for myself I must beg liberty to think it no such thing; for I take an incorporating union to be where there is a change both in the material and formal points of government, as if two pieces of metal were melted down into one mass, it can neither be said to retain its former form or substance as it did before the mixture. But now I

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see . . . the English constitution remaining firm, the same two Houses of Parliament, the same taxes, the same customs, the same excises, the same trading companies, the same municipal laws and courts of judicature; and all ours either subject to regulations or annihilations, only we have the honour to pay their old debts and to have some few persons present for witnesses to the validity of the deed when they are pleased to contract more.

The people of England, wrote the Earl of Mar in 1706, "think all the notions about federal unions and forms a mere jest or chimera"—and the people of England were right. The solutions propounded by the Scottish nationalists under the name of "federation" were mostly limited to pure negations. At best they were designed temporarily to alleviate immediate symptoms rather than to attack the root of the disease.

In spite of the strong nationalist feeling in Scotland, England's terms were accepted by the Scottish Commissioners and by the Scottish Parliament. That fact is the standing proof that the necessities of the situation were too urgent to admit of delay or of compromise. James Hodges summed up the essential factors of the case in a sentence of the pamphlet entitled *War betwixt the two British kingdoms considered*:

England wanteth Scotland for shutting up a back door against foreign invasion and for securing the dependency of Ireland, and Scotland wanteth England for securing themselves against so potent neighbours against whom they have no barrier.

The Scottish people, in fact, had realized that without England's support they were not merely negligible in world politics, but absolutely defenceless. "It is very well known," said Fletcher, in 1703, "that this nation cannot maintain so many standing forces as would be necessary for our defence." The Scottish people also saw in free trade with England the possibility of realizing their growing commercial ambitions. They were urgently in need both of protection and of a wider commerce, but, as may be judged

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from their schemes of compromise, they were unwilling to pay the price except under compulsion. In the baldest terms they desired the benefits of England's strength without the burden of England's responsibilities. England, on the other hand, was firm in refusing to concede the privileges of her citizenship without imposing at the same time its obligations. In the face of this determined attitude, Scotland was compelled either to submit to England's terms or to engage, without troops or without ships, in a hopeless war.

The method of reconciliation adopted—the method of absorption by consent—was a method which commended itself at the time solely on the ground of urgency and necessity. The cause of the Union for its own sake never found more than lukewarm support in England. In Scotland it aroused the most indignant antagonism. But the method was successful, just because it replaced a citizenship of Scotland, supplemented by a vague allegiance to the common Crown, by a clear and undivided citizenship of Great Britain. It must have seemed at the time that the sacrifices demanded of Scotland were disproportionately great. She was surrendering apparently her sovereignty, her ancient constitution, even her national identity, and bartering them for free trade with England. Time alone could show that she was exchanging the citizenship of a petty and inevitably subordinate kingdom for full and unquestioned partnership in a magnificent Imperial heritage.

## POLITICAL CRIME IN INDIA

A WRITER in the last number of *THE ROUND TABLE* expressed the hope that crimes of violence would no longer attend or influence the course of political development in India. There were some reasons for such hope. Many months had gone without a political outrage. The Nationalist leaders had abated the vehemence of their tone and were throwing themselves with fervour into the game of constitutional opposition. Among thinking men there was a general feeling that an important crisis in India's history had been happily passed, and that nothing but good will was needed to make the new era a success; and the illiterate masses of the country had been stirred to a remarkable display of loyalty and pleasure by the coming of the King. But the last number of *THE ROUND TABLE* cannot even have reached some of its readers before such optimistic expectations were rudely dispelled. It becomes necessary therefore to pursue the unattractive subject which the previous article set aside perhaps too lightly.

The whole civilized world was startled by the grim news of December 23. As the Viceroy of India was making a ceremonial entry into Delhi, to take over the metropolitan territory from the Government of the Punjab and to inaugurate the new capital, he narrowly escaped assassination. Some unknown person threw a bomb from a house in the main bazaar of the city as the procession was passing along it, and escaped unseen in the confusion and the crowd. The sorely-wounded Viceroy was able to give directions that the ceremony should proceed without him, and—as some also

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say—that no summary measures of punishment should be taken in the heat of the moment, which might involve possibly innocent persons. The procession re-formed; the ceremony proceeded with an inevitableness that gave pleasure to many English hearts; nor was it long before the general anxiety was relieved by the news that there was every hope of Lord Hardinge's recovery.

Through all the outburst of excited comment with which India has resounded there runs one dominant note. The personal intrepidity of the Viceroy and of Lady Hardinge has won most just admiration. The unperturbed progress of the official ceremonial has impressed the imagination. The abstention from some swift, dramatic act of retribution, which might have confounded innocent and guilty, but would have been understood as the inevitable explosion of offended majesty, has been marvelled at, and, according to men's views, has been either applauded or deplored. But for the most part, India's feelings about the crime are expressing themselves in a confused murmur of surprise, anger and shame. No one imagined that the Delhi ceremony would attract an assassin. The sanctity of Royalty still invested the city. Local feeling was jubilant about a change which meant profits for local pockets; nor could the wildest alarmist conceive that those who disliked it most would express their objection with a bomb. Lord Hardinge himself has won general liking and admiration; he has even been called by his peculiar devotees "the greatest friend of India since Lord Ripon." The feeling of the common man is that not only has the life of a kindly and honourable gentleman been attempted without any shadow of excuse, but also that the crime is a black piece of ingratitude to the Government and of disloyalty to the Crown. The constitutional changes to which Lord Morley's name attaches, the modification of the partition of Bengal, the appointment of the public services commission are all claimed by advanced thinkers as concessions wrung from a reluctant bureaucracy by sheer merit and determination. But the bulk of sober

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opinion in India has not ceased to think of them as the benefactions of a mild autocracy which should have been repaid by the gratitude and contentment of its subjects. And that the King's own Vicegerent, in that same city of the King which a bare year ago was hallowed by the Royal presence and resounding with cries of loyalty and pride, should be struck down by a murderer in the solemn moment when he was performing his Sovereign's pleasure and had the greatest call on men's reverence and esteem—this is felt to be indeed a stain upon the honour and faith of India which no mere words of abhorrence and repudiation can remove. To the minds of those who know the Oriental feeling of devotion for a personal Sovereign the analogy will recur, without irreverence, of the contrast between two successive scenes in Jerusalem many centuries ago.

After the custom of the country, the common feeling of the people has manifested itself in public meetings innumerable, to denounce the criminal, to express devotion, or to offer prayers or to return thanks for the Viceroy's escape. Offerings of money, freely made, have lent point to these manifestations. The first impulse was to offer rewards for the murderer's arrest. But in this there is little wisdom, for the Government does not lack resources for such a purpose; and inflated rewards may readily produce ingeniously false charges. It is far better that the sums offered to mark abhorrence of the crime should be treated as thank-offerings for its failure, and applied after the traditional usage to the good works for which there is always need.

The police are hard at work, but if they have any clue they are wisely keeping their own counsel. The Government also has so far refrained from any indication of its intentions. In such circumstances comment should be heedful, and well weighed. But most Englishmen in India will agree that certain truths should be told.

After a crime like this, appalling in its cynical wickedness and insolence, English people are apt to fall into one of two

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dangers. We may be hasty and heavy-handed; or from fear of incurring that reproach we may be dull, indifferent, and inert. It may be doubtful on which side lies the greater peril to the State; but it can hardly be doubtful to which error we shall more easily incline. The day after the news reached London, India learned by cable that most of the great newspapers were expressing their complete confidence that the crime was the work of an isolated fanatic, having no political significance, and their hope that it would make no difference to the policy of progress on which the Government of India had entered. And there is great likelihood that this easy opinion will prevail. It accords too thoroughly with the Britannic temperament and intelligence not to commend itself to the great majority. It is pleasanter to believe that no Indians can hate our rule so much as to be plotting its destruction in our blood. To prove the actual existence of conspiracy is immensely difficult; and till it is proved it is much more comfortable to go on believing that it does not exist. When any action is doubtful and troublesome, inaction is always attractive: and the inertness of laziness or perplexity can easily be glorified into the magnanimity and moderation of a great people strong in the righteousness of their cause and generously confident of the reasonableness of their Indian brothers.

There is no danger that the present Government will be heavy-handed in reprisal. There is at least a risk that it will obstinately shut its eyes to things as they are, and make a virtue of doing nothing. For whatever beliefs are held by the Council or the cabinet about the crime at Delhi, there is no uncertainty as to what the Englishman in India or what the average Indian believes. He welcomes the expressions of regret and loyalty, but he does not believe that no silence is significant and that no voice is false. He does not imagine that a single madman threw the bomb, possessed by mere blind hatred of the alien, such as inflames the *ghazi* of the frontier when he knifes or shoots the nearest British officer. He argues only from facts that all the world

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knows, but they lead him to no hesitating conclusion. The careful selection of the victim and of the opportunity proves that the object was to strike at the Raj itself. The use of a bomb betrays an assailant who did not trust himself to use a braver weapon, or who set some store upon his own escape. The very making of a bomb implies premeditation, study and experiment. And it is argued also—though the evidence is insufficient—that the assassin's escape must have been furthered by the actual presence of confederates in the crowd about him.

There are many who would go further. They would say that, if we weigh these *data* carefully and then recall what we know of previous political murders in India, we can make a shrewd conjecture as to the character of the assassin. In all likelihood, they tell us, he is a young, excitable, over-driven university student. He has brooded over family misfortunes or religious difficulties or academic failure or real or fancied personal rebuffs; and he has drunk in the rhetoric of his fellows, and of men older and wickeder than they, about his country's wrongs, till the ferment has turned his head and he has lived only to do a deed that will, he fancies, make him glorious in history. Whether he comes from Calcutta or Lahore, or Poona or Aligarh matters relatively little. We have no good reason for naming any of them. Every prominent race and religion in India has been freely accused by the others of the shame of providing him. But, so far as the known facts go, we have as yet absolutely no better reason for imagining that the crime is the work of a Muhammadan smarting with anguish for the supposed wrongs of Turkey, than for imputing it to a Mahratta disciple of the imprisoned Tilak, or an Arya admirer of Lala Lajpat Rai. We have no particular knowledge, and without it nothing is gained by particular imputations which only embitter proud innocence and drive the races into further antagonism.

The only conclusion on which public opinion in India is agreed—saving that of the editors and politicians who are

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confident that the crime was a madman's—is that the murderer was the agent of an organized and resolute conspiracy. Now, the continued existence of a plot to attain political ends by the rude means of murder is a profoundly depressing and harassing disclosure. The trouble lies not merely or chiefly in unearthing and breaking up the particular gang which planned and carried out this or any other attempt on the life of Englishmen. That is difficult and dangerous work, but it may be safely left to the police of India, not a few of whom have given their lives in the task already. The real trouble lies in the danger that such occurrences may be continuing. Political murder is not like ordinary crime. Its roots lie not in the lusts or madness of a man, but in the diseased ideas of many men. It is a crime that tends to propagate itself most rapidly, because morbid minds look on each recurrence as a splendid and heroic act that calls for imitation. It cannot be stayed except by removing the precedent conditions or by most drastic and painful surgery. And yet if unstayed it is capable of soon bringing progress to a standstill. England cannot merely look on, in mild regret, while her Viceroys and Governors and magistrates are successively blown up, without putting forth more of her powers than are employed in an ordinary and possibly abortive police inquiry. She must quickly make reprisals, or the day of her authority will be done. And we may surely hope that the last alternative is unthinkable. If, after holding India for a hundred and fifty years in the name of justice and order, England stooped to withdraw from it before lawless crime, there could be no shame in history surpassing hers.

But when we attempt to analyse the causes as a preliminary to seeking for the remedy, we soon find ourselves in deep places. Poverty, family ruin, religious bigotry, mental overstrain, disappointed ambition or affection, hereditary criminal taints, lunacy—these are the chief causes, in India as elsewhere, that predispose men to violent crime. But the reasons which give crime a political character

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we can see less clearly. India knows, even if England doubts, that these outbreaks are not normal, inevitable incidents in the story of a nation rightly struggling to be free. There is no general and just resentment against British dominion in this country, as there was against Russian rule in Poland or Austrian rule in Italy. No sensible being believes the legend of men being ground down by exactions like the Israelites in Egypt, or hounded by the contempt and brutality of foreign officials into a despair that drives them to strike down their oppressors if they are to preserve their self-respect as men. These things simply are not, and he who says they are knows that they are not. Desire, genuine and growing, there is for an ampler share in the government; but that cause is eloquently pleaded on the very grounds of growing capacity and sweet reason to which the bomb of the anarchist most loudly gives the lie.

There is something peculiarly irrational and amazing about an act which accomplishes nothing but the very hindrance of the only purpose that can be assigned to it. Folly we know, and crime we know, but it is the strange blend of the two that arrests attention and directs the inquiry in one particular direction. No one but a visionary and fanatic need, in the present peaceful conditions of the country, think of giving his life for a cause which is slowly winning by orderly means, and which his act can only hamper. No one but a criminal desires to take the lives of those who have never done him hurt. Where all is uncertain it is the most probable working hypothesis that we have to deal with the unusual combination of folly in the hands of crime.

It has to be sorrowfully confessed that part of the mischief is obviously of our own making. Our educational system, or want of system, has produced in thousands a class of young enthusiasts bred up on textbooks of European politics and science. It has utterly destroyed their faith in the old dispensation—their pundits and maulavis, their reverence for established things, and the old leisured,

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immemorial order of Indian life. It has given them in its place no new moral guidance beyond the cold ethical precepts of Spencer or Emerson. It has set before them, as the grand lesson of history, the inspiring story of nations winning freedom from their kings. But it has done nothing to remind the Indian student of the huge antecedent task that lies in front of him, before he can rightly compare himself even to a man of Athens under Pisistratus, far less to a Roundhead under King Charles. It has never brought home to uncritical intelligence the initial fact that European civilization is based on the brotherhood of the citizens; and that, so long as India is divided in a chaos of kindreds and castes and tribes and religions, each of which is incapable of sympathy for those beyond its boundary line, there lies before it an untold era, which is wholly lacking in the story of the West, before her reproduction of European political advance can properly begin. We have taught the Indians that a nation should win freedom: we have never taught them how they should first become a nation.

What good fruits can be expected of a tree so casually tended? Suppose that our typical Indian student, overstuffed with book-learning that he has faithfully memorized but only half understands, with no ethical guidance beyond a chilly philosophic phrase, with no practical example of citizenship but those derived from conditions immeasurably unlike his own—suppose that such a lad, overdone by the strain of incredible study and possibly privations beyond those of Glasgow and Aberdeen, and weakened in all likelihood as well by the temptations of life in a city boarding-house, comes to disaster in his final examination, and sees the remunerative career which was to support his brothers and repay the debts his father incurred to educate him, vanish like the bursting of a bubble. It is the story not of tens but of hundreds. These are the men to whose number we are adding every day: and they are the natural community from whom the Indian anarchist is recruited.

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It may well be asked:—Need we look further? Does not the whole explanation lie in the existence of this unhealthy stratum, fermenting with the germs of physical unsoundness, disappointed hopes, injured vanity, personal rancour, and ignorant erudition? Cannot we correct our educational methods and get rid of the mischief?

There is great stir nowadays in the educational world of India, and strenuous efforts are being made, and have been made, since Lord Curzon started his crusade twelve years ago, to take and reshape the system upon sounder lines. But there are two enormous obstacles in the way. The one is that, so far as moral guidance goes, we have deliberately abjured the aid of all religious influences, and have, so far, utterly failed to find any satisfactory substitute for them. The other, if the truth is to be told, is that the country at large does not yet want what we understand by real education. It hungers and thirsts for the instruction which will increase an income, or give promotion in the world; but it hardly understands or desires the ordered training of character and the qualities which make a citizen. The reformed education which will render the political anarchist impossible is not yet in sight: even if the country had not unhappily accumulated a large enough stock already of potentially anarchical material to last a long time.

But, really, there is little doubt that we do have to look further than the student. It is common knowledge that he has been the tool of other people. Among every kind of professional men—newspaper editors, priests and religious instructors, schoolmasters, professors, doctors and lawyers—there are those who have been deliberately at work preaching the gospel of rebellion and murder to excited pupils. For a time the bad work was done openly in the press, and was too long tolerated by Government. But it has been pursued in secret also, in private meetings, even in class-rooms, and by books and pamphlets and correspondence. It is difficult to write temperately of such persons.

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They have not the excuse of private injuries, nor that of self-sacrifice, nor that of ignorance. They have a position in the world; they corrupt others rather than face the peril themselves; and they know, or ought to know, that the crimes to which they incite must defeat their own end. For they are of the intellectual salt of India, of the very classes on which the foundations of the new constitutional system of India are, none too stably, laid.

If this account of things, which may be taken as expressing the beliefs of the average man, is true, the problem is a difficult one enough. But yet there would probably be agreement as to the general direction in which the solution should be sought, though opinion would differ as to the precise means. Both enthusiasts and doubters would agree that education must be made saner; and that the corrupters of youth must be suppressed. But it is possible that the diagnosis is still incomplete. There seems good reason for asserting that, while political opinion in India is so ill-informed, and political leadership so largely in the hands of the adventurers of society, there is positive danger to the State, not merely from the morbid and the criminal classes, but even from the moderate, enlightened critics, from whose intelligent co-operation with the Government so much is expected under the present scheme of things. Now this is a hard saying. It will offend every liberal Englishman—one hardly knows whether to give the adjective a capital letter or not—who believes that unrest is simply the result of cramped capacity, and that expansion of privilege is the cure of all India's ills. It is grossly unjust, he will protest, to blame upright and innocent-minded public men for results which they themselves view with horror and dismay. What, is it suggested that the new members of Council are to sit like dumb automata, and shirk their duty because other men are fools and knaves? Are they their brothers' keepers? Is it not the business of the executive alone to hunt down and repress violence?

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These questions seem to admit of one answer only. But the matter is not so obvious as it appears to those who view it in the light of English Parliamentary experience. For such observers in due the problem with conditions that are not, and they strip it of some that are. The opinion may be honestly held, not merely by the red reactionary, but by the modest striver after political truth and well-being, that even constitutional opposition in India has great dangers and responsibilities; and never more so than at the present moment.

Now, no one in his senses insinuates or imagines that the prominent Nationalist leaders approve of the Delhi crime. They are, many of them, honourable men, and they feel the stain upon the country's faith as keenly as the most conservative country gentleman, or the most devoted servant of the State. Or, to put the matter on a lower ground, they are truly intelligent men, who know that violence can only harm their cause. But political experience is still in its infancy, and political usage is very young. Opposition to Government measures may wear a decorous and seemly look in Council. Outside Council, however, what impresses the mass is not the manner of the opposition, but the fact of it; and the example set tends to be imitated by all men of like mind in their own way, according to their character and their opportunities. Obstruction and passive resistance in local boards, active disobedience to unpopular measures, and finally murderous reprisals—these, in a descending scale, are all varying manifestations of one impulse. The local committee man cannot debate in a municipal board with the skill and effectiveness which Mr Gokhale shows in Council. But he is a perfect adept at organizing the residents of an entire ward to obstruct the working of an unpopular reform. The ignorant leader of some religious or agrarian opposition will not argue at all. He takes at once to clubs and stone-throwing. No doubt there is the law, which draws a line between permissible and unlawful opposition. But the distinction has suffered

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not a little from the successful attempts to obliterate it in the law courts; and in any case what matters far more than the distinction, is the common element of patent opposition to authority. For authority in India has still no small measure of divinity; and every assault upon it wears a character of adventure that appeals naturally to the enterprising spirits in every grade of life. The example of the stout front shown in Council by the Nationalist leaders rouses in many who admire it the desire of imitation. But the imitators can only employ the less refined methods open to them; and as one goes down the scale of order and intelligence, these pass by gradual stages to boycotting, picketing, intimidation, political dacoity and, in the end, to murder. Let it be said again that no one accuses all the enlightened and humane gentlemen who adorn the Imperial and provincial councils of sympathy with the fanatics who preach that India's regeneration can be won only in the blood of the English. Nevertheless every act of reasonable opposition in high places is an inspiration and encouragement to those who work underground. Legal distinctions, even if the courts could be trusted to maintain them clearly when the plea of political motive is raised, are obscured in the public eye by the dazzle of glory that irradiates resistance to Government. "Constitutional methods" is an irreproachable phrase, but the idea which it conveys is not likely to be of much of a restraining force with people who regard themselves as still struggling for a constitution.

It is hardly to be supposed that the foremost political leaders would admit the responsibility ascribed to them. They cannot afford to do so; for in that case it would be their clear duty not merely to disown, but to seek out and restrain the criminal extremists, or, failing restraint, to expose them. But they would reply at once that they have no means of doing either. And within certain limits this is true. The Indian members of the legislative councils are not in direct touch with any local constituencies, and

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have no popular mandate. From this, as an article in the last ROUND TABLE explained, many mischiefs may ensue. But for present purposes the important fact is that the council members have failed to exercise any sort of restraining influence upon the baser sort of their followers. It may strike the impartial observer as a grim comment upon the realities of recent constitution-making in India and the fitness, or otherwise, of the country for it, that one should have to deplore the fact that the representatives of the people cannot keep the people in order. But so it is. Political construction in India has begun in a hurry from the top downwards. We have provided a beautiful procedure for keeping council debates, more or less, within the limits of relevancy, reason, and decorum; but we have never calculated on, or provided for, the effect which the exhibition of such war in heaven may have upon the minds of admirers in much lower regions. The Delhi outrage may indeed make each well-wisher of India ask himself anxiously if we have not been moving too fast.

Of course we have not exhausted our resources. Other measures are possible—a more drastic enforcement of the Arms Act; the prohibition of political meetings and debates; the suppression at pleasure of any newspaper suspected of preaching sedition; the closing of all schools and colleges where the taint of political excitement has appeared; and the summary deportation of all persons, irrespective of position—teachers, religious leaders, pleaders, editors—who are known to be instilling the poison of criminal suggestions. Such measures have all from time to time been tried in a very half-hearted way. They have not been applied with the determination and stringency which is needed, either to carry the conviction that the Government means to exert its strength, or even to prevent evasion.

But for the Government to put forth its full strength will be a confession of bitter disillusionment, as well as a rude shock to the enlightened and moderate public men of India. There is no reason to doubt that conspiracy and

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murder can be crushed out in India by force: but that is a process which, to quote the first public expression of horror which was heard at Delhi, "would put the clock back fifty years." Nonetheless it may be necessary, and the onus lies on the Indian leaders to prove that it is not. Let them realize the obligation that now lies on them. They cannot expect to take advantage of a double hand to play. If a bomb is thrown because Bengal is partitioned, there is no longer need of speeches in Council: that is a form of argument to which there are other than dialectical replies. If the dialectics in Council are to go on, there should be no more bomb-throwing. And it is for the Council members and the other natural leaders of the communities to see to it that there is none. It is likely that they can stop it if they resolutely choose. Political organization is rudimentary, but it is not wholly lacking. The leaders can get in touch with the minor politicians, and among these there are unquestionably those who know directly or indirectly what is going on. It may be that the leaders may fail in the attempt. But the first clear requisite of the moment is that they should put themselves right by making it. They are not likely to do so, if Government merely awaits their pleasure. They will go on to the end eloquently repudiating violence and eloquently disclaiming responsibility. But that way further madness lies.

Surely there is nothing harsh or reactionary in now putting a plain issue to the politicians of India. "This crime strikes at the very root of the privileges you enjoy. Both you and we desire their continuance, but you desire it most. Therefore it is no longer enough for you to express pious horror, and regret that you can do no more. You ought to do more. We impute no guilty knowledge to you or to your friends. But we say that you or they can get in touch with those who know or can find out who the actual instigators of murder are. You can, if you will, cause the word to be passed to them that these crimes must cease. If you will not do so, or if they will not hearken, so much the worse. For then it will be disagreeably plain to us and to the world that

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the country is not ripe for the political privileges which we have bestowed upon it. We notify to you and to India in general that on the day that the next political murder is attempted, every legislative council, every shred of representative institutions, and every district and municipal board in India will be suspended."

It is to be feared that no robust declaration will, or indeed possibly could, be made. The suspension of statutory bodies requires parliamentary legislation, which process is about the worst that could conceivably be invoked for a disciplinary purpose. Quite the last thing to be desired is a rhetorical display in the House of Commons upon the motives of, and the apologies for, the Indian anarchist. But some emphatic pronouncement by government is most plainly needed. There is not indeed a civilized government in the world but ours which would be content with only words. If we are to be content with words, let them be words of weight. It is unwise to go on trying to pretend that there is no general evil to the State in these offences. It is futile to protest that they are the acts of spasmodic lunatics without combination, premeditation or set purpose. It is hopeless to disguise the truth that they aim at the overthrow of British authority in India. The difficult course, but the prudent and the brave course also, is to face the ugly facts, and to connect them with their ultimate correlative. That correlative is the legislative councils. For it is the councils whose blameless example is so blamefully imitated, and the crimes of the imitators are cutting away the only solid ground on which the councils can be sustained. If the Government makes it plain that constitutional concessions are on their trial, and that their continuance depends precariously upon the absolute cessation of bomb-throwing, there is good hope that all the decent elements in the country will combine to suppress the crime. But if nothing is done, then there seems no reasonable hope that the attempt at Delhi will not be repeated, and perhaps successfully, though God forbid. And in that event the delayed reckoning can only be the sterner when it does come.

## UNITED KINGDOM

### I. THE HOME RULE BILL

ON January 30 the Home Rule Bill ended its first journey through the British Legislature. It was rejected by the House of Lords on that day. Unless the present Government are upset in the meantime the Bill is commonly expected to have a second and third experience like the first, being passed by the Commons and rejected by the Lords, until, by the terms of the Parliament Act, it becomes law without the consent of the Lords in the month of May, 1914. Consequently, to a large extent, the prospects of the Bill and the hopes of Nationalist Ireland are bound up with the fate of the Government, and will depend upon many circumstances which have nothing to do with Home Rule. It may seem that an interest in or against Home Rule should now transform itself into an interest in the longevity of the Government and the event of the next General Election. But this is not altogether necessary. Within the last few months a situation has arisen, or has at least disclosed itself, in which the question of the government of Ireland appears to have a new aspect. Though revealed by the experiences of the Bill, it is independent of the Bill. Though exhibited in the conflict of parties, it shows faint, but deeply interesting, signs of the existence of a non-party opinion upon Home Rule.

There is indeed no change in the Bill itself. As it was in the beginning, when its defects were stated in *THE ROUND TABLE*, so it is now. The amendments made in the

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House of Commons, though numerous, are not important as regards the broad imperfections of the Bill. In place of a nominated senate, one amendment gives Ireland a Senate elected by a system of proportional representation. Another forbids the Irish Parliament to reduce customs duties below the level existing for the time being in Great Britain. A third extends the facilities for appeal to the Privy Council. A fourth protects Trinity College, Dublin, a Protestant university, from possible persecution. These are the most important of the amendments. With the best of good will it could not be pretended that they touch the objections already made in *THE ROUND TABLE*. That is to say, they do nothing to save the Bill from its resemblance to a row of stepping stones that reach only half-way across the stream. The Bill is still in the position of offering Ireland neither Colonial autonomy nor federal partnership. It still offers what could never be offered either to other parts of the United Kingdom or to any of the oversea Dominions. It has still no air of permanence. It still withholds what Ireland is certain to demand, and bestows what the London Government is certain to resume. It leaves the Irish executive impossibly responsible to two Parliaments. It is still in no sense a settlement of the problems of Irish Government either as a part of the United Kingdom or as a part of the Empire.

Secondly, within the Bill, there is yet no atom of the element of consent. It contains not a word to allay the violent displeasure of Ulster or the hostility of British Unionists. To the last moment the Prime Minister and his spokesmen in the House of Lords maintained their policy and their argument regarding Ulster—their policy of offering “safeguards” where no “safeguards” are asked or wanted, and their somewhat sophistical argument that the Ulster question simply does not exist, because the geographical province of Ulster, as distinct from the Protestant community who use the name, returns as many Nationalists as Unionists to Parliament.

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The Unionists of Ulster, from the first exasperated at their exclusion from the councils which drew the Bill for the government of their country, have not been soothed by logical demonstrations of their non-existence as a body with solid opinion. The Bill is in no way more acceptable to them than it was at its introduction. It is, indeed, to all intents and purposes unchanged. It has learned nothing and forgotten nothing. And in this respect it must be added that, in spite of fair words, the Nationalists and Unionists of Ireland appear to resemble the Bill.

Nor is the gleam of hope to be seen in the proceedings of the House of Commons. In that House Mr Bonar Law has made the interesting announcement that he will countenance no revolutionary resistance by Ulster if the Bill should receive the approval of the electorate. But what is the value of this? It is true that if there is to be a civil war in Ulster, the attitude of Mr Bonar Law may have an effect upon it, but the very assumption of a civil war arising is so deplorable that no one's attitude towards it can be foreshadowed with the slightest profit. Mr Bonar Law may condemn resistance, after an election, and this might either hasten the Ulstermen's military defeat or damp them into sullen inactivity. But an unhealed and unhealing evil would remain. The settlement of the Irish question is brought no nearer by this.

When the House of Commons arose to its last labours upon the third reading of the Bill, it braced itself for an effort. It was conscious of the historic importance of the occasion. It held, in the old phrase, a full-dress debate. Its protagonists appeared, not outwardly attired in the court costume of a former generation, it is true, but most carefully and correctly made up with the oratorical adornments of the greatest of the Home Rule battles of the past. From the dignified phraseology of Mr Gladstone's successor to the tears in Mr Redmond's eyes, there was nothing lacking. With an effort of genius Mr Balfour spun a web of criticism that would have immeshed a typhoid bacillus,

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and forged a chain of argument that would have resisted the bull of Basan. The Prime Minister replied with a grand and effective rendering of points he has formerly made. Mr Bonar Law again stated the objections of Ulster. Others also reproduced the old arguments with all the force at their command, and the Chief Secretary for Ireland, in a speech of unusual passion, gave a serious turn to assertions which he has hitherto made in a lighter vein. Throughout the debate there was no regrettable incident and no failure to make good speeches. But there was nothing new. There was hardly a suggestion that the Bill was anything but either wholly perfect or wholly damnable, nor that any other solution of the Irish problem could, or should, be found. The absence of some great figures distinguished this debate from those held on the Home Rule Bills of 1893 and 1886, but not the presence of any new political philosophy or point of view. Had Mr Gladstone returned to take part in the debate, or even Mr Bright, they would have found nothing unfamiliar in the speeches, nothing new except the men. This rigid quality of the Commons' contribution to Irish discussions is extremely disappointing.

### *A New Spirit*

NEITHER in the Commons, therefore, nor in the Bill, nor in the attitude of Irish parties, nor in external events, is there anything to improve the dangerous and discreditable appearance of the Home Rule question. Comfort proceeds from another quarter, from a quarter whence it may not have been expected. It is the House of Lords that has struck the new note. It is to the House of Lords that we have had to look for all that is new and hopeful in Irish discussions, a fact that may not prove the merit of the hereditary system, but does certainly prove the value of getting political questions discussed in places where the

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waters of opinion are not altogether imprisoned by the party dykes.

Though the House of Lords rejected the Bill without going into Committee upon its clauses, it did perform the functions of a deliberative assembly. Among those of its members who took part in the four days' debate there were supporters of the Bill who admitted its faults, and opponents who recognized that an Irish question exists, that another Home Rule Bill might be good, though this is bad, that the question is one for which human wisdom and good feeling may hope to find some other solution than that of a large waste-paper basket to receive every Bill for the better government of Ireland. There was a recognition that Home Rule and Imperial Federation are associated questions, which may be discussed in the same frame of mind. There was an atmosphere in which such discussion was possible, and where original thought and feeling could find expression. Commenting upon this, the editor of the *Westminster Gazette* finds evidence of a movement in favour of admitting the Bill to be, as one party in the Commons would say, perfection. Such comment is unfortunate. It only suggests an angry answer that certain Liberal peers are shortly to join an Orange Lodge. When we find signs that Home Rule may yet be treated as reasonable men treat differences in business or family life, a better welcome should be given. In England, indeed, where the Press and the parties seem to be becoming gradually almost as much dissociated from general opinion as the Pantaloons and Harlequin from the tired audience at the end of a pantomime, there is the greatest value in this change of style.

Curiously enough, the finer spirit shown in the House of Lords was not most conspicuous among the most exalted. It did not always appear in the cases of those distinguished persons who would have seats in that "Chamber of Notables," which politicians have discussed under the title of "Reform of the Lords." It was shown very often

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by the backwoodsman peer, who is, of course, of all the legislators in the Kingdom, the least hampered by the bonds of party discipline. But it was not confined to him. Happily for its prospects it found a lodging in breasts which the brightest of stars adorn. It was shown by Lord Grey, Lord Curzon, and the Archbishop of York, who are good enough company to encourage the backwoodsmen. Where we seek it in vain is in those notabilities who are oldest in the party legions. The speeches of Lord Lansdowne, Lord Crewe, Lord St Aldwyn, and Lord Morley might have been made in the House of Commons. These leaders fought according to the rules. Their remarks might be praised as being strictly relevant. They blessed and cursed the Bill. Their minds seemed full of the Bill, the whole Bill, and nothing but the Bill. They were even disconcerted, it seemed, by the heretical opinions expressed around them in the gilded chamber. Like heroes of old, they fought well. But we can afford to leave them alone in their glory, with their martial cloaks around them, and turn to observe a younger generation.

The extreme Imperial and local importance of the other speeches made in the House of Lords upon the Home Rule Bill stands before all other British topics at this moment. Introducing a new manner of treating a single political question, they are remarkable in the following ways. They have first an intrinsic value as tending to the settlement of the Irish question. Secondly they have the value of precedent and example for other constitutional and Imperial questions which the toss of the coin between parties can never decide well or permanently. Thirdly the deplorable absence of the habit of co-operation between parties in England to-day multiplies both the above values by a high figure. It is this third consideration, too, which gives so great a significance to speeches in which, when they are presently quoted, the reader may see no enormous advance upon what might be expected of reasonable men. A good spirit he will recognize, but nothing that would

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have staggered Lord Burleigh. He must remember that this spirit has not shown itself in the Press, nor in the Commons, nor on public platforms, nor in Dublin or Belfast, neither in regard to the Irish question nor in any of the controversies that have raged round Tariff Reform, Land Reform, Compulsory Service, or the veto of the Second Chamber. Hence the significance of its faintest appearance in the region of Home Rule. And it has appeared more than faintly.

What have been the conspicuous defects of the Home Rule discussions in all places except the House of Lords? They have been, nowhere more noticeably than in the House of Commons, three omissions. The first was the omission of ministers to give any reality to their claim that the Bill was a step towards *Federation*, so that they fell into the unsatisfactory position of assuming a virtue which clearly the Bill had not. The second was the omission of both Liberals and Conservatives to pay any but the merest lip service to the idea that the Irish question might be settled by *Consent*. The third, which is really a branch of the second, was the omission of Conservatives to recognize that even if the Bill be defeated, an Irish question will *remain*. These three omissions it will be convenient to take in turn, still remembering how complete and how regrettable they have been, and the reader himself will judge how far the Second Chamber has gone towards their rectification, and how important and hopeful this change should appear.

### *Admissions by Liberals.*

ON the point of Federalism the contribution of Liberal Peers in the ministry was that they boldly threw over the idea. The Lord Chancellor entered on a detailed argument:

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I wish to point out why the idea [a federal solution of Irish difficulties] is an idea which on the face of it will not work. The Constitution of Canada has succeeded because of its vast territory and the immense resources which have given rise to wealthy men in most parts of the country, and especially as to the possibility of direct taxation. . . . Apply that to Ireland. Ireland is not a rich country. It is a very poor country, so far as the number of rich men are concerned. In a country like that, taxation must necessarily be in the main indirect. . . . How would it be possible to set up the analogy of provincial government which implies direct taxation?

The argument may be right or wrong, but it is not the argument of a minister seeking to solve the Irish question on federal lines. By the highest Government authority in the Lords that unreal position is abandoned. Lord Morley, another minister, was even more emphatic. He said:

The idea of federation seems to have sprung up like a mushroom in the minds of noble lords simply as a way of avoiding meeting circumstances of the time.

Yet this was the idea to which Mr Asquith and other ministers in the Commons gave the utmost prominence, when the Bill was introduced, as not the smallest of its merits. The warmest friends of a federal solution will not regret its disappearance from among the advertised virtues of a Bill which does nothing to promote it. Let it be hoped that the keenest of Liberals and Conservatives will equally be pleased to note the following admissions of their spokesmen with regard to the supposed perfection of the Bill, and the supposed wickedness of all but the strictest Unionism. We approach the region of consent.

Here is a Liberal Peer, Lord Ribblesdale, supplying a text in the early stages of the debate. He is reported as saying:

He appreciated the Ulster difficulty, and if he thought that the passage of this Bill would prejudice irretrievably any settlement that might be arrived at, he would seriously consider whether he could support it, but he did not see why some settlement by consent should not be reached.

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Lord Charnwood, another Liberal, took the same line:

The claim of Ulster was extravagant, but if it was put forward in relation to a measure the principles of which were accepted, it would demand careful consideration. He hoped that if the Bill was rejected a conference would be held at which there would be a settlement by consent. In such a case Ulster would view Home Rule in quite a different light, and any solution which might be arrived at would be welcomed generally.

Another Liberal, Lord Weardale:

He had been familiar with three different Home Rule Bills, and each of them was declared by its author to be a perfect measure which it was essential to carry out in its exact form. Every one of them proceeded on a different principle, so that the *ipse dixit* of the Cabinet that this was the only possible Bill to give contentment to Ireland was, in the light of experience, hardly justified. . . . He would vote for it with all his heart—but his contention was that it was capable of improvement, that it ought to be freely considered, and that in due time it might be moulded so as to receive the assent of both parties.

### *Admissions by Unionists.*

**N**OW for the outstretched hand of the other party, and for some names that are more widely known. The Archbishop of York, who must not be labelled with the name of either party, criticized the Bill, condemned it, voted against it, and alluded with reprobation to the methods by which it was forced through the House of Commons. Yet he said:

I approach this question with a strong bias in favour of some measure of self-government for Ireland. I think there are few of us who can deny that there is a real and urgent Irish problem, or that we are likely to advance towards its solution by merely repeating "We will not have Home Rule." Nor do I think it is sufficient to have a policy, however generous, of promoting the economic welfare of Ireland. I cannot resist much of what was urged with so much eloquence by the noble Viscount on the Woolsack—that some

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recognition must be found for the persistent and sustained desire of the majority of the Irish people to have some liberty to manage their own affairs in their own way.

The Archbishop went on to emphasize the difficulty created by Ulster "grim, determined and menacing." He argued that statesmen could not shut their eyes to this. But he returned to his earlier theme:

I cannot but share with other noble lords who have spoken the hope—perhaps it would be more true to the facts to say to indulge the dream—that both parties might make an effort to approach this problem with a desire to settle it by conference and by consent. It cannot be ignored. It must be solved.... I am certain that many people, even within the ranks of the Opposition, look upon Home Rule now with eyes very different from those with which it was viewed, say, twenty years ago. It would indeed be a misfortune if party divisions prevented all the citizens in this country from looking this problem of Irish self-government fairly in the face, not as something at all costs to be set aside, but as something if possible to be settled, as it ought to be settled, for the common good.

The Archbishop expresses his aspiration. Lord Curzon, a little later, indicates a means:

I happened to be in South Africa when the South African Constitution was drawn up. The circumstances were even more difficult than those of drawing up a Constitution for Ireland, because the two parties were not only separated by great differences of race, religion, and so on, but had been actually engaged in war. How was it done? The four States elected their delegates and sent up their most important men. Those persons met.... They met without the embarrassing presence of the Press, and discussed the matter in conclave.... They did not approach the matter as antagonists, they approached it as statesmen. Not a single man had a desire to revive old scores or to score off the other party. They wanted to build up a new Constitution in which all should join for the benefit of the country. Something is to be learned from that.... If you are building up a new Constitution for a country sundered by great differences, that is the method and those are the lines on which you ought to proceed. But they are not your lines.

The *Westminster Gazette* may suppose that Lord Curzon is about to become a convert to the Bill. Other critics may

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fear that his object was less to build a golden bridge than to blame the Government for leaving it unbuilt. Lord Curzon is not a conciliatory speaker, and was undoubtedly pleased to flavour his observations with a sharp sauce. But politicians of Lord Curzon's calibre do not use words without reckoning their future consequences. In 1893 he would have died rather than use such language. He meant the meaning of what he said, and the harshest of critics will be the one that asks why he or his colleagues did not say it long ago.

Thus the evidence accumulates of speeches that could not have been made in any previous Home Rule debate, the evidence of a new spirit, and it could be continued. But the pressure of space compels a jump to one speech which has been reserved for the last place, which, for its extraordinary novelty as an utterance on Home Rule, for its contrast with the unvarying platform and Commons speech, and for its statesmanship, requires no comment. The speaker is Lord Grey:

As a convinced Federalist, he was strongly opposed to the Bill. It would not be a stepping-stone to the federation of the British Isles; on the contrary, it would set up a barrier which must be removed before the federal principle could be applied; and for that reason, and because he was convinced that so far from conducting to harmony and peace the Bill would promote discord and civil war he would vote against its being read a second time. It would be a serious misfortune if their lordships allowed the impression to be created that those of them who were opposed to the Bill had no alternative policy. He hoped that a clear and positive message might issue from the Unionist leaders of this House which would convince the people of Ireland that the Unionist party were prepared to assist in some other form of settlement which could be more safely relied on to promote the well-being of Ireland, and to increase the security of the Empire as soon as this Bill was cleared out of the way. . . .

After alluding to the Land Purchase Act and the changes resulting from peasant proprietorship, Lord Grey said:

They were justified in assuming that a well-considered measure conferring upon Irishmen powers of managing their own local and domestic affairs, which would have been nothing less than an agrarian

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outrage in 1886, had now become a safe and a moral policy. He would go further and say it was not only a desirable, but a necessary policy.

He ended thus:

If ever there was a time when the necessity of the United Kingdom called for the co-operation and combination of patriotic men, that time would seem to be the present. . . . He would respectfully impress upon their lordships that their first duty to the State was to reject this Bill of evil genesis and pregnant with disastrous consequences, and then, following the example of Canada, Australia, and South Africa, combine together with the object of securing such constituent reforms as appeared most likely to ensure the permanent well-being of the United Kingdom, of the Empire and of all English-speaking peoples.

Lord Grey's peroration expresses the new spirit to which allusion has been made.

### II. THE FATE OF THE FRANCHISE BILL

THE fate of the Franchise Bill throws a curious light on the British Constitution. Two of the main features of that mysterious fabric are generally stated to be the omnipotence of Parliament and the joint responsibility of the cabinet. Here we find Parliament foiled of its desire, and the cabinet proclaiming that it is divided against itself.

The Franchise Bill, which had been promised in the King's speech, was introduced last summer. It proposed to abolish the various existing franchises, with the exception of that by occupation, which is the qualification on which the vast majority of existing electors exercise their votes, to add a residential qualification, to prohibit any voter from voting more than once, and to simplify and shorten the procedure for registration. It was in fact a measure for simplification, rather than for extension, of the franchise. In the words of Mr Harcourt, when moving the second reading, "It was a mistake to talk of this Bill as if it was a

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great extension of the franchise to new classes of electors." The only new classes, if such they could be called, were male domestic servants and sons living at home with their parents. Its main objects were to shorten the period of residence necessary to qualify a man for the vote, and to abolish plural voting.

The interest which the man in the street took in the matter, however, was largely due to something which did not appear in the Bill at all. About half the members of Parliament were pledged to vote for some form of female suffrage. Unfortunately for the movement these supporters were fairly evenly divided between the various parties in the House, including both front benches. There was no chance, therefore, of its being taken up by either side as a party measure. Further pressure was brought to bear, and in November, 1911, Mr Asquith, himself an opponent of votes for women, promised a suffragist deputation that, if the House of Commons chose to extend the Franchise Bill so as to include women, the Government would make themselves responsible for carrying through the measure as amended. Consequently, when the Bill reached committee, several amendments were put down with the object of extending the franchise, in very varying degrees, to various classes of women.

The beginning of the committee stage was marked by another important development. Fearing apparently that the retention of the occupation, along with the residential, qualification might lead to "faggotting," or the artificial creation of votes, the Government set down an amendment to abolish the occupation franchise altogether and base the whole electorate solely on the qualification of residence.

It is the practice of the House of Commons, which was laid down as well established by Speaker Peel in 1889, that when a bill has been so transformed by amendments in committee as to become substantially a different measure, it is necessary that leave should be given to introduce a new bill and that the second reading stage should be gone

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through again, when the general principle of the measure, as distinguished from its component clauses, can be affirmed. Evidently it might well be contended that an amendment abolishing altogether the occupier's vote, which, as already pointed out, is numerically by far the most important franchise at the present time, substantially transformed the Bill. The point was raised by Mr Bonar Law on January 23, but the Speaker declined to give a ruling, on the ground that the proper time for doing so would be when the Bill with amendments left the committee.

Clearly, however, if there was any doubt as to the Government's amendments, that doubt applied equally to the various suffragist amendments, which would add whole new classes of voters to the existing electorate. This point was raised, not by Mr Bonar Law, but by Mr Asquith himself four days later. The Speaker agreed to waive his former objection to giving a decision at that stage, and his ruling is worth quoting *in extenso*:

If the amendments of which notice has been given by the Government, and one or two of the amendments designed to grant Women Suffrage were to be inserted in the Bill, my opinion is that under those circumstances the Bill would be substantially a new Bill. Therefore, in accordance with the practice of the House, it ought to be withdrawn and a fresh Bill ought to be introduced. I may leave aside for the moment as not being immediately pressing the question of the new amendments of which notice has been given by His Majesty's Government. The question I have put to myself and have to answer now is whether, if any of the amendments designed to grant the suffrage to women were admitted, they would make so great a change in the Bill as to constitute it a new Bill. Let me take the amendments *seriatim*. With regard to the amendment to leave out the word "male," I suppose it is intended, as the right hon. gentleman said, to open the door to one or other of the amendments being proposed. If the Bill were amended by leaving out the word "male" and leaving in the word "person," it would not, in my judgment, make the difference intended. I understand that in all franchise Acts the word "person" has always hitherto been held to mean "male person."

To come to the other three amendments, I am told—though I have no means of verifying it myself—that the first amendment, if

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carried, would admit some eleven millions of women to the vote, that the second amendment would admit some six millions, and that the third amendment would probably admit one million to one million and a half. If that be so—and I am bound to accept those statements from persons who have authority to make them—I have formed the opinion that the admission of any one of those amendments would so alter the Bill as practically to convert it into a new Bill. Under those circumstances, I shall advise the House that the Bill be withdrawn, and that a motion should be made to ask leave to introduce a new Bill. It has been suggested to me that in the Representation of the People Bills of 1867 and 1884, amendments designed for somewhat similar purposes were moved in Committee, and that no exception was taken to them. In regard to that, I would first of all take the technical point—and I admit it is only a technical point—that these amendments were not carried, were not inserted in the Bill, and that the Speaker of that day did not have the opportunity of considering the Bills with the amendments in them. Therefore, there is no strict precedent there. I would, however, take very much broader ground than that. I would say that the Representation of the People Bill, 1832, the Representation of the People Bill, 1867, and the Representation of the People Bill, 1884, were all designed, and purposely designed, to open the franchise to a large class, or many large classes, of the people of this country who, up to that moment, had not had the privilege of the franchise. Those Bills were, I say, purposely designed for that object. The present Bill is not designed with any such object. The present Bill is limited in its scope; the chief object of it is to abolish plural voting, while the secondary object of it is to add rapidity to the system of registration. There are other minor objects and purposes. The effect, it is true, of those provisions may be very considerably to increase the electorate, but, as the right hon. gentleman the President of the Board of Education pointed out very clearly last Thursday night, the Bill did not propose, and did not, in fact, add a new class, nor was it designed to add a new class to the electorate. If one of the Women Suffrage Amendments were to be inserted, it would add to the electorate a very large class, and would establish an entirely new principle. In my judgment, leave to introduce the Bill did not contain that principle, and that principle was not assented to on second reading. Therefore, I am driven to the conclusion that the Bill would, if altered by the insertion of a Women Suffrage amendment, practically constitute a new Bill.

The result was that the Bill was withdrawn. It is probably true to say that the damage sustained by the Government through the loss of one of their principal measures is fairly

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balanced by the consequent lightening of their programme and the avoidance of the difficulties with which they would have been faced if they had been called upon, as they probably would have been, to carry through a measure to which half of them had serious objections by means of the Parliament Act.

The constitutional position disclosed is interesting. We have long been taught to believe that the crowning glory of the British Constitution was the fact that it was "unwritten" and consequently elastic. The events of recent years have raised a doubt in many minds whether unwritten custom is a sufficient protection against a powerful and determined executive. Almost the only definite checks on their action are, first, the powers still retained by the Second Chamber under the Parliament Act, and, secondly, the rules and standing orders of the House of Commons. In each case the Speaker is the sole and absolute arbiter, and it is becoming clear that he is the pivot on which the Constitution turns. Three times in less than two years he has been called upon to take a bold stand in defence of that Constitution. The first was when, owing to the introduction of certain extraneous matter in the Budget of 1911, he withheld his certificate that the measure was a "money bill" under the provisions of the Parliament Act, the result being that legally the House of Lords were entitled to amend or reject it. The second was when, last December, the attitude he took up prevented the Government from rescinding by a mere negative an adverse vote on one of the financial resolutions of the Home Rule Bill. The third was the ruling on the Franchise Bill referred to above. On each occasion his decision has been loyally obeyed by the Government. But men change. Speakers and ministers alike are fallible. The Speaker is the servant of the House of Commons, which appoints and can remove him. A new Speaker is chosen as a rule by the party in power from its own ranks, and, though he is generally re-elected as long as he desires to serve, there is no obligation to do so. As the

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importance of the post increases, the tendency to secure an accommodating occupant for the chair may become harder to resist. How long will a man in such a position under the stress of changed conditions be able to maintain the high traditions of his office for dignity and independence?

London, February, 1913.

## CANADA

### I. THE CANADIAN NAVAL PROPOSALS

SIX weeks ago Mr Borden, Prime Minister of Canada, submitted the naval proposals of the Government to the House of Commons. They were substantially as outlined in *THE ROUND TABLE* for December. As was also expected, Mr Monk, Minister of Public Works, withdrew from the cabinet before Parliament assembled. The correspondence between Mr Monk and the Prime Minister, which was made public only a few days ago, shows that the immediate ground of disagreement was over the refusal of the cabinet to submit the proposals to a plebiscite according to the demand of Quebec Nationalists during the general election. It is understood that the personal relations between Mr Monk and his colleagues were wholly satisfactory, and there is even reason to think that the French leader was impressed by the private memorandum from the Admiralty, and was more or less soundly convinced that action by Canada to strengthen the sea forces of the Empire was desirable. Mr Monk held, however, that he was irrevocably pledged to have a referendum on any naval programme, and so was bound to relieve himself of ministerial responsibility unless a referendum was granted. As Mr Borden definitely refused to consider a referendum the separation was inevitable. Owing to ill-health Mr Monk has been unable to take his seat in Parliament since the session began. Beyond his brief letter to the Prime Minister, therefore, we have had no explanation of his position. It is well understood that he has been urged by

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the extreme Nationalists to declare general hostility to the Government's programme, and it is conceivable that the naval debate has been prolonged in the hope that this pressure would be effective. As yet, however, he has kept an unbroken silence, and it is doubtful if he will be persuaded to join Mr Bourassa in any general attack upon the ministerial policy.

Briefly the Government proposes to have three super-Dreadnoughts constructed at the cost of Canada and placed under control of the Admiralty, but subject to recall if the Dominion should ever decide to establish a Canadian naval unit. The vessels will be constructed in British shipyards since, in the judgment of the Government, we could not wisely or economically build such vessels in Canada with any equipment now available or likely to be available for a considerable period. Mr Borden contended that the cost would be at least \$12,000,000 greater, or \$47,000,000, as against \$35,000,000, and that serious delay in construction must ensue, while the very urgency of the situation was ample justification of the Government's determination to have the vessels built in Great Britain. Mr Borden said:

No one is more eager than myself for the development of shipbuilding industries in Canada, but we cannot, upon any business or economic considerations, begin with the construction of Dreadnoughts, and especially we cannot do so when these ships are urgently required within two or three years at the outside for rendering aid upon which may depend the Empire's future existence. According to my conception, the effective development of shipbuilding industries in Canada must commence with small beginnings and in a businesslike way. I have discussed the subject with the Admiralty, and they thoroughly realize that it is not to the Empire's advantage that all shipbuilding facilities should be concentrated in the United Kingdom. I am assured, therefore, that the Admiralty are prepared in the early future to give orders for the construction in Canada of small cruisers, oil tank vessels, and auxiliary craft of various kinds. The plant required is relatively small as compared with that which is necessary for Dreadnought battleships, and such an undertaking will have a much more secure and permanent basis from a business standpoint. For the purpose of stimulating so important and necessary an industry

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we have expressed our willingness to bear a portion of the increased cost for a time at least. I see no reason why all the vessels required in future for our Government service should not be built in Canada, even at some additional cost. In connexion with the development of shipbuilding I would not be surprised to see the establishment of high-class engineering works which will produce articles now imported and not at present manufactured in Canada. Therefore, although the sum which we propose to devote for necessary naval aid at this critical juncture is to be expended in Great Britain, yet we believe that this step will result, under the conditions which I have described, in the very marked development of more than one industry in Canada, and that, even from a purely economic and material standpoint, the step has much to commend it.

Mr Borden dealt at length with the relative strength of European navies, the comparative loss of ascendancy in the world's seas by Great Britain and the necessity for concentration of British naval power in the North Sea. He said the withdrawal of the British flag and the British navy from so many parts of the world for the purpose of concentration in home waters had been necessary, but unfortunate. The British navy was once dominant everywhere, and the white ensign was the token of naval supremacy in all seas. Was it not time that the former conditions should, in some measure, be restored? Upon our own coasts, both Atlantic and Pacific, powerful squadrons were maintained twelve years ago. To-day the flag was not shown on either seaboard. He was assured that the aid which the Government proposed would enable such special arrangements to be consummated that, without courting disaster at home, an effective fleet of battleships and cruisers could be established in the Pacific, and a powerful squadron could periodically visit the Canadian Atlantic seaboard and assert once more the naval strength of the Empire along these coasts. He did not forget, however, that it was the general naval supremacy of the Empire which primarily safeguarded the oversea Dominions. New Zealand's battleship was ranged in line with the other British battleships in the North Sea, because New Zealand's interests could best be guarded by protecting the very heart of the Empire.

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Mr Borden insisted that no modern nation possessing a great seaborne commerce could afford to neglect its interests upon the high seas. There was no fear that Canada would aid or abet any war-like or aggressive tendencies. The British Empire would never undertake any war of aggression, and all the influences in Canada would assuredly be arrayed against any such course; but we knew that war had come many times within the past fifty years without warning, like a thunderbolt from a clear sky, and thereby the power and the influence and the destiny of more than one nation had been profoundly affected. A naval war especially might come with startling suddenness, for these tremendous engines of war were always ready and prepared for battle. The security, indeed the very existence, of the Empire depended on sea power. When we were obliged to abdicate the seas it might even be without war, but, in fact, the overwhelming force of the Empire's arteries would no longer pulsate, the blood would cease to flow in its veins, and dissolution would be at hand.

Mr Borden doubted if Canadians realized the disparity between the naval risks of the British Empire and those of any other nation. The armies of continental Europe numbered their men by the million, not by the thousand. They were highly equipped and organized, the whole population had undergone military training, and any one of the countries was absolutely secure against invasion from Great Britain, which could not send an expeditionary force of more than one hundred and fifty thousand men at the highest estimate. Such a force would be outnumbered by twenty to one by any of the great European Powers. This Empire was not a great military power, and it had based its security in the past, as in the present, almost entirely on the strength of its navy. A crushing defeat upon the high seas would render the British Islands, or any Dominion, subject to invasion by any great military power; loss of such a decisive battle by Great Britain would practically destroy the United Kingdom, shatter the British Empire to its foundation, and change

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profoundly the destiny of its component parts. The advantages which Great Britain could gain from defeating the naval forces of any other power would be inconsequential, except in so far as the result would ensure the safety of the Empire. On the other hand, there were practically no limits to the ambitions which might be indulged in by other powers if the British navy were once destroyed or disabled. There was, therefore, grave cause for concern when once the naval supremacy of the Empire seemed to be on the point of being successfully challenged.

The Prime Minister pointed out that the naval estimates of the Argentine, whose territory, resources, population and wealth might fairly be compared with those of Canada, for the four years from 1909 to 1912 amounted to \$35,000,000, and that by far the greater portion of this amount was for naval construction. The federal and state expenditures of the United States for this period aggregated a total outlay for armaments of between \$250,000,000 and \$300,000,000, or at the rate of \$2.75 per head. An equal expenditure by Canada would mean an annual outlay of \$20,000,000 or \$25,000,000, or between \$80,000,000 and \$100,000,000 for the four-year period. Mr Borden reminded Parliament that for forty-five years, as a confederation, we had enjoyed the protection of the British navy without the expenditure of a dollar, while, so far as official estimates are available, the expenditure of Great Britain on naval and military defence for the provinces, which now constitute Canada, during the nineteenth century was not less than \$400,000,000. Even since the inception of confederation, and since Canada attained the status of a great Dominion, the amount so expended by Great Britain for the naval and military defence of Canada vastly exceeded the sum which the Government was asking Parliament to appropriate. From 1870 to 1890 the proportionate cost of the North Atlantic squadrons which guarded the Canadian coasts, was from \$125,000,000 to \$150,000,000. From 1853 to 1903 Great Britain's expenditure on military defence in Canada ran closely to \$100,000,000.

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Mr Borden discussed the difficulty of finding an acceptable basis upon which the Dominions co-operating with the Mother Country could receive and assert an adequate voice in the control and moulding of foreign policy. He explained that the Canadian ministers, while in London, were brought closely into touch with both subjects when they met British ministers in the Committee of Imperial Defence. He outlined the constitution of the committee, examined its system of working and emphasized its efficiency. The committee, he said, was not technically or constitutionally responsible to the House of Commons, and thus it was not supposed to concern itself with policy. But as so many important members of the cabinet were summoned to attend the committee, its conclusions were usually accepted by the cabinet and thus commanded the support of the majority of the House of Commons. While the committee did not control policy in any way and could not undertake to do so, as it was not responsible to Parliament, it was necessarily and constantly obliged to consider foreign policy and foreign relations, for the obvious reason that defence, and especially naval defence, was inseparably connected with such considerations.

Mr Borden explained that he had the assurance of British ministers that, pending a final solution of the question of voice and influence in foreign policy, they would be glad to have a Canadian minister in London during the whole or a portion of each year, who would be regularly summoned to all meetings of the Committee of Imperial Defence and be regarded as one of its permanent members. No important step in foreign policy would be undertaken without consultation with such representative of Canada. This meant a very marked advance both from the Canadian standpoint and from that of the United Kingdom. It would give Canada the opportunity of consultation, and therefore an influence which hitherto we had not possessed. The conclusions and declarations of Great Britain in respect of foreign relations could not fail to be strengthened by the

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knowledge that such consultation and co-operation with the oversea Dominions had become an accomplished fact. Mr Borden concluded a searching, brilliant and powerful speech as follows:

No thoughtful man can fail to realize the very complex and difficult questions that confront those who believe that we must find a basis for permanent co-operation in naval defence and that any such basis must afford the oversea Dominions an adequate voice in the moulding and control of foreign policy. It would have been idle to expect, and indeed we did not expect, to reach in the few weeks at our disposal during the past summer a final solution of that problem, which is not less interesting than difficult, which touches most closely the future destiny of the Empire, and which is fraught with even graver significance for the British Islands than for Canada. But I conceive that its solution is not impossible, and however difficult the task may be it is not the part of wisdom or statesmanship to evade it. So we invite the statesmen of Great Britain to study with us this real problem of Imperial existence. The next ten or twenty years will be pregnant with great results for this Empire, and it is of infinite importance that questions of purely domestic concern, however urgent, shall not prevent any of us from rising "to the height of this great argument." But to-day, while the clouds are heavy and we hear the booming of distant thunder and see lightning flashes above the horizon, we cannot and will not wait and deliberate until the impending storm shall have burst upon us in fury and with disaster. Almost unsuited, the Motherland, not for herself alone, but for us as well, is sustaining the burden of a vital Imperial duty and confronting an overwhelming necessity of national existence. Bringing the best assistance we may in the urgency of the moment we come thus to her aid in token of our determination to protect and ensure the safety and integrity of this Empire and our resolve to defend on sea as well as on land our flag, our honour, and our heritage.

It is admitted that Mr Borden has made no greater speech in the course of his public career. This is the unanimous feeling of Parliament and the common judgment of the country. Indeed, through the negotiations with British ministers, and the elaboration and presentation of the naval proposals, Mr Borden has become a far more commanding figure in Canada and throughout the Empire. His speech was as distinguished for its reserve as for its courage. He

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excited no irritation in Parliament nor roused any prejudices in the constituencies. He discharged a great duty with moderation, discretion and dignity, with a profound sense of the gravity and complexity of Imperial relations, and with adequate consciousness of the depth and breadth of Canadian national feeling. There was much enthusiasm when he closed, and a common and tumultuous expression of Imperial feeling alike among Conservatives and Liberals. As great in its way was the speech of Sir Wilfrid Laurier, while a third address of great range and power was delivered by Mr Foster in general support of the Government's proposals and in general criticism of the alternative naval policy submitted by the Opposition.

The Liberal proposals go far in advance of those adopted by the Laurier administration. This is to state a fact, not to suggest a gibe or a rebuke. Public opinion has developed. We have a sounder knowledge of the naval problem. The masses of Canada have a clearer conception of their relation to the Empire and their obligation to strengthen its power on the seas and enhance its general security. The position is easier for Conservative ministers because of what was done by the previous administration, and they are comparatively immune from a species of rancorous and unintelligent attack which fell upon Sir Wilfrid Laurier and his associates.

In office the Liberal party provided for four light cruisers and six destroyers. The proposals now advanced by Sir Wilfrid Laurier embrace two Dreadnoughts, six light cruisers, twelve destroyers and six submarines. These the Oppositionists would divide into units for the Atlantic and Pacific, and they would have all the vessels constructed in Canada, manned by Canadian seamen and maintained at the sole cost of the Canadian Treasury. Whether immediately practicable or not the policy commands respect and involves an obligation upon Canada probably in excess of that which will be entailed by the Borden programme. Naturally there are attacks upon the sincerity of the Opposition, and more

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or less effective comparison of the newer proposals with the less adequate measures of the Liberal leaders while they were in office. But much of this is the common chaff of partisan controversy, and probably does not greatly affect the country.

The Liberal leaders deny that any "emergency" exists. They contend that there is nothing in the memorandum of the Admiralty that was not disclosed during the last Imperial conference. They ignore or evade the statement of the Admiralty that:

The Prime Minister of the Dominion having inquired in what form any immediate aid that Canada could give would be most effective, we have no hesitation in answering, after a prolonged consideration of all the circumstances, that it is desirable that such aid should include the provision of a certain number of the largest and strongest ships of war which science can build or money supply.

In this connexion Sir Wilfrid Laurier said:

There is no emergency. There is no immediate danger, there is no prospective danger—no, I will not use that expression—I will not say if Britain were in danger—but simply if Britain were on trial, with one or two or more of the great powers of Europe, Mr Borden must come down and ask not \$35,000,000, but twice, three times, four times \$35,000,000. We would put at the disposal of England all the resources of Canada; there would not be a single dissenting voice!

As an expression of devotion to the Empire the speech of Sir Wilfrid Laurier was singularly eloquent, impressive and inspiring. He repudiated the Monroe Doctrine as a refuge for Canada with unexpected force and vigour and in language more direct and emphatic than Canadian statesmen generally employ. He said:

We have to take our share in the defence not only of our native shores, but of the Empire as a whole, as we can defend ourselves only by the assistance of the Mother Country. In our humble judgment the remedy is this: that wherever in the distant seas, or in the distant countries, Australia, Canada, or elsewhere, a British ship

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has been removed to allow of concentration in European waters, if it must take place, wherever such a British ship is removed, that ship should be replaced by a ship built, equipped, manned and maintained by the country concerned. If the young nations of the Empire take hold of the equipment and manning of ships to look after the distant seas, concentration can easily take place in the waters of Europe, and the British Admiralty knows what zones she has to defend. This is the Australian policy, this would be the Canadian policy, this ought to be the Canadian policy.

Sir Wilfrid Laurier insisted that a more profound impression would be made in Europe if instead of a money contribution "the nations of Europe were to see the young daughters of the Empire, the young nations scattered over the whole Empire, building fleets of their own, to use the language of the resolution of 1909: 'In co-operation with and in close relation to the Imperial navy along the lines suggested by the Admiralty at the last Imperial Conference, and in full sympathy with the view that the naval supremacy of Britain is essential to the security of commerce, the safety of the Empire and the peace of the world.'" The Liberal leader declared once and for all, for his party and for himself, that separation from Great Britain would be "a folly and a crime." But in one of his sentences there is a suggestion of the old doctrine of "colonial neutrality." He admitted that if England was at war Canada would be at war. "The thought of being neutral would be like the command of King Canute to the sea to recede from his feet. No action of ours could bring that about; when England is at war we are at war, but it does not follow that because we are at war we are actually in the conflict." He pointed out that we were not in the war with Turkey, in the war of the Crimea, in the expedition to Abyssinia or in the war in the Sudan. "Is it not a fact that our forces can go to war only by the action of this Parliament? You may give it now or any time if you choose, but no one in this country will claim that we can go to war except by the will of Parliament or by the force of circumstances." He held that it would be difficult for Canada to have an effective voice in peace or war. If we were

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to have a representative in London to confer with the Foreign Minister, Australia, New Zealand, South Africa and Newfoundland must also have such representatives in London, and he doubted if the Foreign Minister would receive much assistance from such a multiplicity of advisers. If there was disagreement would there be dictation or submission? He added:

The Crown is the great bond, it is the cement which binds together the scattered continents over the whole world. The Crown is a purely sentimental bond, but that bond, though purely sentimental, has proven itself stronger than armies and navies, and has shown itself to be equal to all occasions. I do not believe the Empire is in danger; I do not believe it can be cemented by the means suggested by my right honourable friend. I believe the relations of the different parts of the Empire to the Mother Country are not perfect or that essentially they are perfectible. You can discuss problems of improvement; there is no reason to discuss problems of existence.

The debate in Parliament has been prolonged. Not even yet have the Commons divided on Mr Borden's proposals. In the Liberal press there has been much angry writing and a manifest determination to commit the Government to a continuous system of contributions as against the ultimate organization of a national navy. In his speech, however, Mr Borden said:

In presenting our proposals it must be borne in mind that we are not undertaking or beginning a system of regular and periodical contributions. I agree with the resolution of this House in 1909 that the payment of such contributions would not be the most satisfactory solution of the question of defence. But upon the information which I have disclosed to the House the situation is, in my opinion, sufficiently grave to demand immediate action.

There is, however, a passage in the speech which excites the apprehension of extreme autonomists. The Prime Minister said:

Without intending or desiring to indulge in controversial discussion, I may be permitted to allude to British naval organization. Obviously one could not make a very complete or thorough study

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of so great an organization in a few weeks or even a few months, but during recent years, and especially during the past summer, I have had occasion to learn something of its methods, its character, and its efficiency, and I have good reason to conclude that it is undoubtedly the most thorough and effective in the world. There have been proposals, to which I shall no more than allude, that we should build up a great naval organization in Canada. In my humble opinion nothing of an effective character could be built up in this country within a quarter or, perhaps, half a century. Even then it would be but a poor and weak substitute for that splendid organization which the Empire already possesses, and which has been evolved and built up by centuries of the most searching experience and the highest endeavour. Is there really any need that we should undertake the hazardous and costly experiment of building up a naval organization especially restricted to Canada when upon just and self-respecting terms we can take such part as we desire in naval defence through the existing naval organization of the Empire, and in that way can fully and effectively avail ourselves of the men and the resources at the command of Canada?

Only Mr Borden himself has the right to interpret the deeper meaning of these sentences. But it would be rash to conclude that the Government has determined against the ultimate organization of a Canadian navy. Generally Conservative speakers in the debate have emphasized the declaration of Mr Borden that the emergency proposals are not to be understood as the beginning of a system of regular and periodical contributions. It is manifest, however, that Mr Borden is impressed by the advantages of concentration for sea defence and the necessity for common direction of the fleets of the Empire. Probably he contemplates a re-organization of the Empire, a closer co-operation between the Mother Country and the Dominions in foreign policy, and a greater fusion of the national feeling of the oversea portions of the Empire in the common Imperial sentiment. This, however, is to look into the future and to anticipate conditions which may or may not develop. The *Toronto Globe*, the most influential Liberal journal in the Dominion, denounces the emergency proposals as an exaction of "tribute" from Canada, resurfaces the spectre of Downing

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Street, and sees only humiliation for the country in proposals which give vessels but withhold Canadian seamen from the service of the Empire. This is the language of the Liberal press generally, and of many Liberal speakers in Parliament. Conservatives answer that the design is to meet an emergency, that, with the high wages prevailing in Canada, it is difficult, if not impossible, to obtain naval recruits, that the provision for constructing minor war vessels in the Dominion ensures the establishment of local shipbuilding industries, that years must elapse before an effective Canadian navy can be created, that in the meantime the Dominion, save by the policy to which the Government has committed itself, cannot be a material factor in the defence of the common Empire, and that there can be neither tribute nor Imperial compulsion in any proposal which is submitted by the Government of Canada to the sovereign Parliament of its people.

In various Liberal journals it is suggested that the Opposition should continue the debate until the Government is forced to dissolve Parliament and appeal to the constituencies, or, failing the success of obstructive measures in the Commons, that the naval proposals should be rejected by the Liberal majority of the Senate. There is, however, no prospect that obstruction in the Commons can succeed, nor is it likely that the Senate will go the length of rejection. In any event the Government will not dissolve Parliament. Mr Borden contends that he is under no pledge to submit emergency naval proposals to the people. He insists that he is acting in strict conformity with his course in Opposition. He admits his obligation to take the judgment of the country on a permanent naval programme, and declares unequivocally that this obligation will be respected. It is doubtful if the country is affected by the argument that the emergency proposals involve tribute or infringe upon Canadian autonomy, and it is certain that the people are not impressed by the contention of some Conservative newspapers that to establish a Canadian navy is a dangerous

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preparation for political independence. The farmers' organizations of Ontario and of the western provinces have joined with the extreme Nationalists of Quebec in denouncing naval appropriations and in demanding a plebiscite, but it cannot be doubted that however opinion may be divided between the proposals of the Government and those of the Opposition the overwhelming feeling of the country favours some speedy and adequate action by Parliament to strengthen the sea defences of Canada and the Empire, and there is probably some impatience and some resentment over the resistance which has been offered to Mr Borden's proposals and the more extreme criticisms to which these proposals have been subjected.

## II. WESTERN VIEWS OF THE PANAMA CANAL

IN common with the Pacific ports of the United States, the trading centres of British Columbia look for a large increase in commerce by this short route between the oceans. Before the transcontinental railways were built, a considerable trade was maintained by way of Cape Horn. Even yet sailing vessels loading with lumber for Europe may usually be found in the port of Vancouver. It is calculated that on the shorter run to Europe through the Panama Canal, the export grain crop of Alberta, and part of the produce of western Saskatchewan, together with British Columbian exports, will go to Europe by way of the Pacific ports rather than by the longer rail haul and shorter ocean journey by Montreal or St John. In winter, when the Great Lakes and canals are closed, and the whole journey from the prairie to the Canadian winter port is made by rail, the Pacific route will have a greater advantage. This aspect of the matter has been well put by the Hon. Wallace Nesbitt, K.C.:

## Western Views of the Panama Canal

To Canadians, although engaged at the moment to the last ounce of their energy in developing their own country, it seems to me that the canal is fraught with the greatest possibilities. I am assuming, I believe rightly, that the suggestion that has been made that wheat cannot be shipped from Vancouver to Liverpool, *via* the Panama, because of its necessary passage through a tropical climate, is not correct, but that the shipment of wheat is quite feasible. The Canal will mean, from Moosejaw west, practically a saving of from 12 cents to 15 cents a bushel on wheat. We have only about one-tenth of the land capable of wheat-raising now under cultivation.... Suppose the advantage from the Canal is 10 cents a bushel, and that there is an average of fifteen bushels to the acre. It means \$1.50 per acre per annum for every acre under cultivation. It means such an impetus given to the Canadian wheatfields that the railways will be far more than recompensed for any loss they may sustain in the carriage of grain by the small package freight and by the increase of earnings by density of population.

The commercial arrangements recently made between Canada and the British West Indies will probably encourage a direct trade between western Canada and these islands by way of the Canal. Western Canada now obtains its semi-tropical supplies mainly from California. It may be found, however, that the larger part of the Canadian trade through the Canal will be the exchange of produce between Atlantic and Pacific ports.

Nowhere has the course of the Panama Canal Bill in the United States Congress been followed with more concern than in British Columbia. British Columbia, and Canada as a whole, would suffer materially from any discrimination, especially against Canadian vessels in the coasting trade. Canadians are the only people who, in competing with American ships for the trade to American ports, are not seriously handicapped by the additional length of voyage. When the Canal is completed, competition between ships from New York to San Francisco and ships from Montreal to the same port may be expected. The result of exempting American coasting vessels from canal tolls may make it cheaper to ship goods by rail to New York and thence in an American exempted vessel to San Francisco, than to ship

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them from Montreal to the same port in a Canadian vessel. And the discrimination may stand in the way even of Canadian vessels trading between Canadian ports, since, if the tolls are heavy, it may pay, instead of shipping in a Canadian vessel from Montreal to Vancouver direct, to ship by rail in bond to Boston or New York, thence by an American exempted vessel to Seattle, and then again by rail to Vancouver. That competition between American coastwise ships and Canadian ships does and will exist has been admitted by Senator Lodge himself. At page 11094 of the *Congressional Record* he is reported as saying:

It (i.e. the exemption of American coastwise vessels from tolls) would be a discrimination against the Canadian traffic, which is at the bottom of the whole difficulty that has been raised, through the Canal from one Canadian port to another. You give the advantage to the American coasting trade, which can take at Portland or Boston or any near point to the Canadian frontier, through goods, sent under bond, and carry them through the canal and land them at a point on our western coast, where they can again go under bond to Vancouver; and thereby the American coasting trade is at once given, by being free of tolls, an advantage as against the Canadian trade. That is the bottom of all this trouble.

While the argument which Sir Edward Grey presented in his dispatch to the United States seems to cover the rest of the ground well, it is thought here defective in its treatment of the coasting trade. President Taft claimed that no grievance could arise from the exemption of coasting ships since the coasting trade of the United States was a national monopoly. Sir Edward's reply, showing that exemption of this traffic would involve higher tolls for sea-going ships, and that the coasting transit might be part of the longer competitive transport to a foreign country, was to the point. He should have shown, however, that the assertion that American vessels have the monopoly of coasting trade through the Canal is not well founded. In reality, all the traffic between eastern and western Canada through the Panama Canal is as much coasting trade as that between the Atlantic and

## Western Views of the Panama Canal

Pacific States of the Union. In each case the trade is between ports of the same country, past the coasts of foreign countries, e.g. Mexico and Central American States. There is no distinction between coasting and sea-going trade in the Treaty. If discrimination in trans-oceanic trade would be a violation of the Treaty, so would discrimination between the United States and Canada in the tolls on coasting trade.

Canada, January, 1913.

## AUSTRALIA

### I. FINANCE

IN common with the rest of the world, Australia is at present going through a period of financial stringency, and, equally in common with the rest of the world, she is being informed that the tightness of the money market, the increased and increasing rates of interest or discount charged for accommodation, the requirement on the part of the banks for reduction of overdrafts, and many other signs of stringency are all due to some purely local political or financial cause. Extravagant Government expenditure, excessive State borrowing, injudicious labour legislation and other similar causes are advanced with a greater or less degree of plausibility to account wholly for the stringency, without recognition of the fact that for some years there has been the world over an upward tendency in the rate of interest, due to the unparalleled development of material interests in practically all countries, and the consequent demand for capital to finance the movement. Unquestionably, local influences have an important effect on the financial position, whether local or general, but to attribute the higher rates of interest which Australian Governments are now required to pay for accommodation to excessive Government expenditure or excessive State borrowing, or both, and to ignore the fact that a similar increase in rate of interest and consequent fall in the price of stocks have been world-wide, tends to discount the good effect of the lesson which it is intended to teach. The tendency for the

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rate of interest to increase is common to all countries, but is in each modified by local circumstances and conditions.

In Australia, governments which were able to obtain 3½ per cent loans at or about par, now find that not less than 4 per cent must be paid for similar accommodation, and that even then the requisite funds are not readily obtainable. The rate of interest charged on loans on mortgage has also recently advanced, and mortgage loans on which 4½ per cent was formerly considered a generous rate are now not obtainable for less than 5 or 5½ or even 6 per cent.

One of the reasons advanced in Australia for the existing stringency has been the effect produced on commercial enterprise by the legislation which has been passed by the Federal Parliament at the instance of the present Labour Government, resulting in a withdrawal of capital. If there has in recent years been any marked net withdrawal of capital from Australia, the evidence of it must be obtainable from the Trade Returns. The evidence so furnished, however, is that during the past five years the excess of exports over imports has almost continuously declined from £25,000,000 in 1906 to £12,500,000 in 1911, a decrease of 50%, and these changes have taken place without any increase during the period in Australian public indebtedness to London. The explanation probably is that in certain cases outside capitalists have withdrawn their interests in Australian ventures, but that such withdrawals, although made the subject of comment at the moment, have been relatively so slight as not to affect the general trend. It is very generally admitted that during the same period the inflow of capital has also been slight.

Another reason which is very extensively put forward as a reason for the financial stringency is the introduction of a form of Federal paper currency. Before the beginning of July, 1911, the paper currency of all the States except Queensland consisted of notes of various denominations from £1 upwards issued by the banking companies operating

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in the several States. The issue of these notes was unrestricted, the note-holders being safeguarded by the fact that a note was payable on demand and was constituted a first charge on the assets of the issuing bank. In Queensland the issue of banknotes was abolished in 1893, a system of Treasury note issues being substituted therefor. Under the Australian Notes Act, 1910, and the Bank Notes Tax Act, 1910, the Federal Government has been granted a monopoly in note issue. According to the latest returns available, the Federal notes appear to have been taken up by the public to practically the same extent as the bank and Queensland Treasury notes were formerly employed, while the circulation of banknotes which in the June quarter of 1911 totalled £3,700,000, had by the succeeding June quarter fallen to £590,000. The notes issued by the banks under the old regime were subject to a tax of 2 per cent per annum on the average circulation. Their abolition consequently meant a loss to the State revenues of upwards of £70,000 per annum, while the prohibition in the case of Queensland meant the loss of a loan without interest which had previously been enjoyed by that State.

It has been widely contended that the abolition of banknotes has restricted the banks' resources to such an extent as to be mainly responsible for the existing stringency, but the contention can only be characterized as an extravagant statement with a distinctly political colouring. The aggregate amount of banknotes in the hands of the public before the 1910 Act did not amount to £3,800,000, and against this the banks held gold which may be estimated at about 50 per cent, say £1,900,000, so that the diminution in loanable capital brought about by the abolition could not amount to as much as £2,000,000.

An examination of the total advances and investments of the banks for the past five years indicates that up till the June quarter of the present year there had been no diminution of the business done; but, on the contrary, a marked development in the last two years. Thus, for the June

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quarter of the years 1908 to 1912 the average amount of bank advances and investments was as follows:

1908	£100,844,019
1909	97,692,800
1910	100,611,111
1911	112,766,491
1912	123,760,625

Similarly, bank deposits which in 1908 totalled £113,694,388 amounted in 1912 to £149,806,597.

As far as can readily be seen, the main effects of the federal issue have been:

- (a) To deprive the banks of a certain amount of profit from the issue of notes (approximately £45,000 per annum).
- (b) To deprive the States of a certain amount of revenue (approximately £70,000 per annum).
- (c) To place a large amount of trust funds at the disposal of the Commonwealth Government (approximately £7,000,000).
- (d) To reduce the loanable capital of the banks by somewhat less than £2,000,000.
- (e) To render the bank reserves less elastic than formerly, and consequently to require larger holdings of coin or equivalent.

The Commonwealth Treasury is required to hold in gold not less than 25 per cent of the total amount of notes outstanding. Up to the present the gold reserve has always been much in excess of this proportion. The balance has been applied in loans to the various State Governments and advances to the Commonwealth Government.

In the case of the Commonwealth, as well as in that of each of its component States the financial year ends on June 30, and the Treasurers' statements for the past year

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and budgets for the new year are usually presented to the several Parliaments during the four months thereafter. In all cases the statements for 1911-12 and the budgets for 1912-13 were well up to time, the earliest, those of the Commonwealth, being presented on August 1, the latest, those of the State of New South Wales, on October 22.

Owing to the fact that in all cases certain business enterprises are carried on by the Governments and the total receipts therefrom are usually carried to the revenue account, the revenue per head of population in Australia appears high when compared with that of some other countries. Thus all State revenues include the total amounts received from State railways and tramways and certain other public works, whilst the Commonwealth revenue includes the total amount received by the Postmaster-General's Department. In the financial statements issued by the New South Wales Treasury a useful division is made of revenue into (1) Governmental and (2) business undertakings, and of expenditure into (1) Governmental, (2) business undertakings, and (3) reduction of public debt, etc. A similar division by the Treasuries of the Commonwealth and the other States would add greatly to the value of the statements.

A warning is necessary in dealing with the aggregate revenue or expenditure results for Commonwealth and States, viz., that the total revenues usually published for the States include amounts received as subsidy from the Commonwealth Government, which, having collected the money, naturally also includes it in its own revenue returns. A further item which requires to be specially considered is that of State loan expenditure, which for the year 1911-12 amounted to about £16,000,000, by far the largest loan expenditure for the last ten years. This expenditure entailed new borrowings of about £11,600,000, the remainder being derived from loan balances in hand.

The necessity for these cautions is shown by the fact that at the half-yearly meeting of one of the leading local banks

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the chairman, himself a prominent member of the House of Representatives, is credited with having made the somewhat remarkable statement that whilst the total production of wealth in Australia from all sources would probably reach only £168,000,000, the Governments would take out of that nearly £70,000,000. How this last figure has been arrived at is not clear, but in view of the facts (*a*) that the Commonwealth collections of revenue amounted to £20,500,000, (*b*) that the aggregate of the State revenues, inclusive of a Commonwealth subsidy of £5,800,000, amounted to £41,200,000, and (*c*) that the net State borrowing for the year totalled £11,600,000, it would appear not improbable that (*a*), (*b*), and (*c*) were added together to make a banker's holiday.

Of the sum so obtained it is clear that the borrowing should not be taken into account as a charge on the year's production, and, further, that the Commonwealth subsidy to the States (£5,800,000) should be deducted, thus reducing the total to £55,900,000. Even then the statement does not fairly represent the position, since of this amount no less a sum than £20,700,000 was revenue derived from State railways and tramways, £3,900,000 was revenue from post, telegraph and telephone services, and a further sum of £3,900,000 was revenue received by the States for land sales and rentals. In addition, there are the revenues derived from such important public services as harbours, water supply and sewerage, public abattoirs and others, which, together would account for a total little short of £3,000,000.

On the other hand, the statement that the total production of wealth in Australia for the year would amount only to £168,000,000 appears to be untenable. Taking only the wealth produced in the primary and manufacturing industries, it appears probable that about £180,000,000 will be produced, and it would seem that the speaker had these industries only in his mind, to the exclusion of the important services rendered by the transport and distributing

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agencies and the building trade. As a matter of fact, the revenues collected by the State Railway Departments are not so much charges on the production of wealth for the year as that portion of wealth added by transport to which the carrying agent is entitled. But there is in Australia, as elsewhere, a tendency to ignore the fact that in production of wealth all that human agency can do is to move things, and that the man who causes a plough to move the soil for the purpose of forming a seed-bed, or causes a harvester to be moved through a standing crop is no whit more entitled in ultimate analysis to be called a producer than a State which moves the bagged grain over its railway lines or the baker's carter who moves the loaves from the bakehouse to the consumer. As far as the consumer is concerned, all who have been instrumental in producing for him the goods he requires in the place and at the time at which he requires them, are producers, and the true measure of the production of wealth cannot be obtained as the material leaves the farm or the factory, but as it enters into consumption. Such an estimate is under present conditions impracticable, but there is little question that it would exceed by a very great deal the sum quoted above. Even then the whole of the reckoning would not have been made. The figures quoted appear, as stated above, to relate to primary and manufacturing industries only. There is, however, no reason except that of the difficulty of collecting the *data* why the clothes which a man wears should be included in the wealth produced and the house in which he lives be excluded. Similarly, there is no reason except the difficulty of collecting the *data* why the production of wealth should not include the construction of roads, railways, tramways, reservoirs, irrigation channels, fencing, clearing and all the many operations included under the comprehensive head of "improvements." As a matter of fact, the portion of the total production of wealth which is fairly amenable to calculation is probably not more than two-thirds of the true total, and its use in the manner quoted is to be deprecated.

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A more legitimate test of governmental influence may be obtained by comparing with the total annual production the total amount of taxation imposed by the Commonwealth, State and Municipal Governments.

For the year 1911-12 these figures were as follows:

Tax.	Amount.	Per head of population.
Commonwealth taxation:		
Customs . . . . .	12,071,514	2 12 10
Excise . . . . .	2,638,685	11 6
Land Tax . . . . .	1,366,454	6 0
State taxation . . . . .	5,132,483	1 2 6
Municipal taxation (approx.) . . .	3,500,000	15 4
Total . . . . .	24,709,136	5 8 2

The State taxation comprises probate and succession duties, stamp duty, land tax, income tax, dividend tax, ability tax, licences and totalizator tax, while the principal form of Municipal taxation is a general rate on real property, levied in some cases on the unimproved capital value and in others on the improved annual value.

As previously noted, an accurate estimate of the total production of wealth for any year is at present unobtainable, but it appears probable that for the present year a total of £270,000,000 might be taken as a rough approximation. On this basis the levy made by Federal, State and Local Government authorities represents approximately 9*½* per cent., or, say, 1*s.* 10*d.* in the £ on the annual production, a sufficiently heavy charge when all the circumstances are taken into account.

A feature which is not reassuring is the fact that the taxation is increasing not only in total amount, but also in

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amount per head of population, and whilst for the year 1906-7 the aggregate taxation was approximately £17,000,000 and the amount per head of population £4 2s. 8d., by 1911-12 the total had increased to £24,700,000 and the amount per head of population to £5 8s. 2d. Overflowing treasuries are usually conducive to extravagance, and money not actually required for the government of the country is usually more profitably employed by the taxpayer than by the Government. In this connexion two Federal items are open to serious objection, viz., the Federal land tax on the revenue side and the maternity bonus on the expenditure side. The former, which was introduced mainly with the object of "bursting up" large estates, realized in 1911-12 a revenue of £1,366,454, and the latter, which came into force in September, 1912, and which provides for a bonus of £5 to be payable in each case of maternity, irrespective of the needs of the recipients, will entail an annual expenditure of £500,000 to £600,000. Without the overflowing Treasury caused by the former, it is extremely doubtful whether the latter would have materialized. Neither can be regarded as urgently needed at the present time.

## II. FEDERAL LEGISLATION

**A**S we approach the end of the third session of the Parliament of the Commonwealth all political action within or without Parliament is increasingly directed towards the general election and the referendum to be held before the middle of 1913, and all political events are judged by the influence they may be expected to have upon the electorate.

In November the Government, in pursuance of its declared purpose, re-introduced the constitutional amendments rejected by the electors in 1911, with a view to their sub-

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mission at the next general election. The first important difference between the last and the present proposals is that instead of being contained in one bill, so that all must be accepted or rejected together, they are now contained in six separate bills, dealing respectively with corporations, industrial disputes, trade and commerce, disputes on State railways, trusts and combines, and nationalization of monopolies. The only notable alterations in the schemes themselves are three, and are designed to mitigate the opposition of the State Governments, viz., the exemption of municipal and governmental corporations from the extension of the corporation power; the exemption of trade and commerce on the State railways from the extended trade and commerce power; and the exemption of business or industries carried on by a State from the power to nationalize monopolies. On the other hand, disputes with employees on the railways are expressly included. For the rest, the powers to be taken do not differ from those rejected in 1911, save that the power over labour and employment appears to be rather wider than in the earlier scheme.

The debate has been carried on under the limitations of the new Standing Orders adopted this session, which limit speeches to sixty-five minutes, a limitation which caused a good deal of inconvenience to the Attorney-General in introducing the scheme to the House. Members have not yet learnt to adjust themselves to the time limit, and there are some very abrupt endings to speeches. Debate has proceeded on lines that are already familiar, and can be better considered when the extra-parliamentary campaign opens. It may be conjectured, however, that the electors will not dissociate the alterations of the Constitution from the Government that proposes them; if they are "for" the Government they will vote "aye" to the amendments; if they are "against," they will vote "no." The referendum, at any rate when taken at a general election upon a question which is the subject of a party contest, does not fulfil that expectation of a detached issue which its supporters claim.

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There is one feature of the situation which has some significance in relation to larger issues. In the campaign of 1911 much was made of the possibility of effecting by co-operative action amongst the States all that was really necessary in the way of enlarging Commonwealth power. The failure of the several attempts to agree upon any scheme of co-operation affords another instance of the weakness of this mode of dealing with problems of common concern.

The campaign against "monopolies" has had two very important developments. The sugar industry in Australia is closely connected with the "White Australia" policy, and is supported by a system of customs, excise duty and bounty which represents a protection of about one million sterling per annum. The industry has been a peculiar subject of interest to the Labour Party owing to the commanding position held by the Colonial Sugar Refinery Company, and the report of a Royal Commission appointed to investigate conditions was eagerly awaited as likely to furnish material in support of nationalization or other means of combating trusts. The Commission's inquiry was interrupted by lengthy proceedings in the Police Court against recalcitrant witnesses and by proceedings in the High Court leading up to an injunction and some very important constitutional rulings in a divided Court. The report of the Commission states that the dominant position of the company enables it to control the price paid to the grower, and, in the absence of effective competition, it is recommended that the price to be paid to the grower should be fixed by law on a sliding scale whereby it would follow the movements in the selling price of refined sugar. The labour employed by the grower should be protected by means similar to those familiar in other industries. As to the industry itself, the Commission emphasizes its importance to Australia, but recommends that the existing mode of protection should be altered so as to substitute a customs duty for the combined duty and bounty; while the interest of the consumer is to be safeguarded by making the duty fluctuate with fluctuations

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in the world's price for sugar. The Commission declares on various grounds against the nationalization of the industry, whether as a government monopoly or through government competition.

The other case of alleged "monopoly" was raised by the prosecution of the Coal Vend and the shipping companies under the "Anti-Trust Act," i.e. the Australian Industries Preservation Act. Some forty defendants—the principal colliery proprietors in the Newcastle and Maitland districts of New South Wales, and the principal Australian shipping companies—were convicted, after a seventy-three days' hearing, in a penal action before Mr Justice Isaacs, of various offences under the Act, the substance of which was combination with intent to restrain trade to the detriment of the public and to establish a monopoly.

Two agreements had been made. The first was amongst the defendant coal-owners in view of the disastrous effects of unlimited competition and the necessity for fixing a definite basis for the hewing rate. Under this agreement, a board was to apportion amongst the members of the Vend their respective shares of the supply of coal required, and to fix the price of sale. Any member of the Vend who sold coal in excess of his proportion was to pay a contribution to a common fund for the compensation of those whose sales fell below their share. The second agreement was between the Vend and the several shipping companies, whereby the Vend undertook to supply to the companies coal for the trade of four of the States, as the companies should determine by monthly estimates; the shipping companies on their part undertaking not to purchase coal elsewhere or to carry other coal, subject to some limitation. The companies, as "purchasers' agents," were to sell at a price not exceeding certain scheduled prices fixed in relation to the Vend's sale price, the object of this provision being to prevent the raising of the price to such an extent as to bring in other competitors; and following the analogy of "agency" any excess price obtained was to be accounted

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for to the Vend. The "detriment to the public," alleged by the prosecution, was the suppression of competition, excessive prices, exclusive dealing, and delays in obtaining delivery; and on these grounds Mr Justice Isaacs found for the Crown, imposed penalties and granted an injunction.

The most important factor in the case was the rise of price from 9s. per ton in 1906 to 11s. per ton, f.o.b., in 1909 and the following years. This Mr Justice Isaacs regarded as unreasonable; the price of 9s. id. in 1907 was a highly profitable one then, the rise was out of all proportion to any change in conditions, and could only be attributed to an intent on the part of the defendants to use their combination to compel the public to pay an exorbitant price. On appeal this view was rejected by the High Court. The case for the Crown rested upon an unexplained enhancement of price; but the burden of proof was on the Crown, and the Court could not assume against the defendants that all the factors of cost in production, except the hewing rate, had remained constant. Moreover, the defendants were selling in the foreign market in open competition for the same price and sometimes more than the price fixed for Australia, while there was evidence that, with the existing hewing rate of 4s. 2d., a price of less than 11s. was impossible. There was nothing then to shew that the price was "exorbitant" or such "as to shock the ordinary sense of fairplay." On the question of what constitutes detriment to the public, the Court made some interesting observations. It had been argued that the arrangement, being admittedly in restraint of trade, was necessarily detrimental to the public under the general rule of law which treats agreements in restraint of trade as contrary to public policy. The Court held, however, in favour of the defendants that, in view of modern developments both of the common law and of legislation, the older doctrine against restraint of trade could not be applied in its vigour—"cut-throat competition is not now regarded by a large portion of mankind as necessarily beneficial to the

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public"—a truth of which the Trade Union Acts and the Wages Boards Acts were evidence. Even if the effect of the agreements was to raise prices, there were other interests than those of the consumer to be considered—the interests of the employees, which had been closely connected with fixing of prices in the present case; the inducements to capital to invest in an undertaking of a hazardous kind, in which profits were delayed and fluctuating; the welfare of a locality dependent upon an industry of this kind—all these were elements to be considered in determining the question of detriment to the public.

Some of the importance of this case disappears because, in so far as it rests upon the failure of the Crown to sustain a burden of proof, the law has been altered by an Act of 1910 which makes agreements of the kind described in the earlier law an offence unless the defendant establishes absence of unlawful intent and shews that there is no detriment to the public. But the case remains interesting as an attempt on the part of a court of law to correlate the phenomena of intricate economic relations and to determine their social value.

How far a court of law is competent to do this depends less on the legal attainments of its members than on other qualities, of which the most important are sufficient economic study and a comprehensive social outlook. Even with these qualities, where the interpretation called for is one of the broad facts of life and experience, individual sympathies and standpoint will lead different men to very different conclusions. From this point of view, the case stands beside the constitutional and industrial cases as bringing the judicial bench perilously near to the most urgent political problems of the day. Where the class of case is one in which the public feels that the decision depends on whether it comes before A or B, the bench tends to suffer in the respect of a public which is readily taught by politicians to look for bias; encouragement is given to appointments to the bench based on political rather than legal

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grounds; and even on the bench itself feelings may be stirred which find expression in rhetorical judgments.

The failure of the prosecution in this case is received by the Government with mixed feelings. There is the natural mortification which follows defeat in a strenuous fight, especially one between such willing antagonists as a Labour Government and a capitalist combine; and a defeat in whatever undertaking, if it be sufficiently important to catch the public notice, will always do some harm. On the other hand, Labour leaders can fall back not ineffectively upon the hopelessness of remedies short of nationalization, especially when such remedies were (as in this case) the device of their adversaries; and in this aspect the case will play some part in the referendum campaign.

A good deal of interest was manifested in the Land Ordinance for the Northern Territory, which was described in *THE ROUND TABLE* for June last. The principle of the perpetual lease was attacked in Parliament by the Opposition on the ground that it was not attractive enough in the case of agricultural areas, and was too liberal in the case of pastoral areas. Government supporters objected to the size of the pastoral areas. Members from both sides joined in criticizing the provisions whereby: (a) in addition to the re-appraisements at fixed periods of fourteen or twenty-one years, re-appraisement might take place at any time fixed by regulation; (b) re-appraisement might be made whenever the administrator considered that the value had been added to by public works; and (c) lessees of pastoral lands were required to covenant against overstocking and for fencing. Ministers were reminded that the proper standpoint in approaching the subject was how to attract settlers; the case was not one of guarding territory against a crowd of urgent claimants. In the result, the Ministry withdrew the Ordinance and promulgated another which meets some of the criticisms. In the case of the pastoral land, the perpetual lease is superseded by terminable leases for twenty-one or forty-two years. The maximum areas of the

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several classes of land are reduced, in the case of pastoral lands, to 300, 600 and 1,500 square miles, and, in the case of mixed farming and grazing lands, to 38,400 acres; while, in the case of cultivation farms, the maximum area for lands of the first class is raised from 640 to 1,280 acres. The power to make re-appraisement at any time by regulation, or for benefit received from public works, and the covenant against overstocking are eliminated. The unqualified power of resumption for any purpose is, however, retained, subject to the insertion of provisions making clear the right of the lessee to compensation for the unexpired term of his lease.

Australia, December, 1912.

## SOUTH AFRICA

### I

#### THE MINISTERIAL CRISIS

FOR the second time in seven months the ministry which controls the destinies of the Union of South Africa—*itself* barely over two and a half years old—has passed through a serious crisis. At the end of the last parliamentary session, that is, in the middle of June, 1912, a quarrel between Mr Hull, the Minister for Finance, and Mr Sauer, the Minister for Railways, caused the withdrawal of the former from the cabinet. In the reconstruction which was made necessary by this dissension Mr Sauer found himself compelled to give up the portfolio of Railways, while Mr Hull was succeeded as Minister for Finance by General Smuts. The Hull-Sauer quarrel, however, had one main result. It added immensely to the importance of the two Free State members of the Cabinet. Mr Fischer took over the portfolio of the Interior from General Smuts, and General Hertzog, who already held the important post of Minister of Justice, which gave him control not only of the whole legal administration of the Union but also of the police and of prisons, became also Minister for Native Affairs. As a result of the crisis of December, 1912, this almost predominant position of the Free State ministers has entirely disappeared. Mr Fischer, it is true, remains a colleague of General Botha and still holds the same offices, those of the Interior and of Lands. But General Hertzog

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has gone, and it is to him rather than to Mr Fischer that the Free State has been in the habit of looking for leadership. His two portfolios, Native Affairs and Justice, are now in the hands of Mr Sauer. The Prime Minister again takes control of the Agricultural Department. Sir Thomas Watt replaces Colonel Leuchars as the representative of Natal in the ministry, and has been given the portfolios of Public Works and Posts and Telegraphs. Sir David Graaff remains a member of the ministry but now holds no portfolio. The remaining offices are in the same hands as before. The second Botha ministry, therefore, consists of seven members holding office and of one minister without portfolio.

The crisis itself was brought to a head by the resignation of the Prime Minister, announced, with hardly any previous hint of coming trouble, on the morning of Saturday, December 14. Its causes have been explained in an interview granted by General Hertzog to a weekly journal printed in Pretoria, and by the Prime Minister himself in a statement issued to the public. From the statements of Generals Botha and Hertzog it is possible not only to define with accuracy the question at issue between them, but to forecast with some prospect of success the relations of their respective followings during the coming session. The issue on which the final quarrel took place arose out of a speech made by General Hertzog at De Wildt, a railway siding in the Rustenburg district of the Transvaal. In the course of this speech he defined his attitude on the Imperial issue. When read in conjunction with several other speeches which he had made previously, it showed that, in his opinion, anyone who did not share his views on this issue was unworthy of the name of "Afrikaner," should not be allowed to take part in the government of the country, and might be recommended to take a single ticket to some other land where a less strait creed of local patriotism was required.

South Africa should be governed by pure Afrikaners. . . . They

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in South Africa had come to realize that they had attained their manhood and were resolved to manage their own affairs. . . . Had they chosen to hearken to certain utterances, they would by now have presented twenty or thirty Dreadnoughts to Great Britain. . . . When the proper time came, South Africa would look after its own interests first and those of the Empire afterwards. All that clamouring for great fleet contributions emanated from a few thousand or hundred thousand people who had axes to grind . . . . The main object was to keep the Dutch and English people separated.

These extracts give some idea of the spirit in which General Hertzog, Minister of Justice for the Union, approached the Imperial issue. They show at the least an inability to appreciate the Imperial sentiment of English-speaking South Africans so complete as to explain the seriousness of the resentment which was felt when the following words, part of the same speech, were read:

The latest little storm had been caused by his assertion, uttered at Nylstroom, that the time had come for the true South African spirit to be at the helm of affairs. He still maintained what he had said on that occasion. The leader of the opposition (Sir Thomas Smartt) had said, that is if he understood him correctly, that this was where he differed from him. He (Sir Thomas) said he was an Imperialist first and a South African afterwards. That proved that he (General Hertzog) was right in saying that Sir Thomas Smartt was not yet a true South African. He (General Hertzog) believed in Imperialism only in so far as it benefited South Africa. Wherever it was at variance with the interests of South Africa he was strongly opposed to it. He was ready to stake his future as a politician on this doctrine. Whatever was at issue, he always in the first place asked whether it was to benefit South Africa or not; and if it would be detrimental to the interests of the country and its people, it was the duty of everybody to have nothing to do with it.

This speech was made the day before the by-election for the seat of Albany, vacant owing to the resignation of Sir Starr Jameson. During this election the Prime Minister had made great efforts to win the seat for the candidate of his party, having made a special journey in order to speak in Grahamstown, the chief town of the constituency. Yet the Unionist candidate won the seat by a majority of 831,

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a majority exceeding the total poll of the Nationalist candidate by over 200. There is little doubt that the size of this majority was due, to some extent at least, to the uneasiness caused by General Hertzog's speech at De Wildt, following as it did on many previous speeches of a similar nature. General Botha must have realized that his association with General Hertzog, who appeared to have gone out of his way to traverse his leader's statements, was making it impossible for him to hope for the support of English-speaking South Africans. In any case, he found himself compelled to make his choice. The De Wildt speech convinced Colonel Leuchars, the representative of Natal in the Cabinet, that he could no longer belong to a ministry which contained one member holding such views on the Imperial issue as General Hertzog had expressed. Colonel Leuchars is a blunt man. He declared that the De Wildt speech meant that General Hertzog was prepared "to use the Empire till he had finished with it and then throw it aside like a sucked orange." He insisted on resigning. General Hertzog, as he himself tells us in the interview in which he explained the cause of his expulsion from the ministry, saw Colonel Leuchars and tried to explain to him that he had never meant in what he had said at De Wildt anything more than to assert the principle "that the interests of South Africa should be above those of the Empire in the event of these coming into conflict." Colonel Leuchars refused to accept this explanation and maintained his determination to resign. General Hertzog, to quote again the substance of his own statement, then demanded of his colleagues whether they considered that "the principle put forward by me, namely, that the interests of South Africa came before those of the Empire, was wrong." He received the reply that they agreed with this principle, and then declared that, this being so, there was no difference between them and him, and that he would not resign. In this way the resignation of General Botha, as a means of ridding the Cabinet of General Hertzog, was made necessary.

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It is clear from General Hertzog's account of what happened that he was unable to see that there was any difference, on a question of principle, between himself and his late colleagues. The statement issued by the Prime Minister makes this point clear:

General Hertzog has gratuitously and unnecessarily put the question whether the interests of South Africa should take preference over those of the British Empire. This question should not have been put. There is no reason for putting it, nor should any reason therefore arise in the future.

The true interests of South Africa are not, and need not be, in conflict with those of the Empire from which we derive our free constitution. The only effect of speeches such as that made at De Wildt will be to cause doubt as to the real policy of the Government, to create misunderstanding and estrangement between the different sections of South Africa's people, and to undo the great work which has been built up in the last four or five years with so much labour and devotion.

I wish to emphasize that to me the interest of South Africa is supreme, and I believe that this view is almost generally shared by the population of our Union. This, however, does not exclude that I myself and the South African party fully appreciate the Imperial ideal.

Under our free constitution within the Empire, the South African nation can fully develop its local patriotism and national instincts. In these circumstances, it was unpardonable to suggest, as happened at De Wildt, that the Empire is only good so long as it is useful to South Africa.

Moreover, the pointed condemnation by General Hertzog in his speech at De Wildt of the policy of racial conciliation, which the Government defends, has been understood to mean that General Hertzog's policy was different from that of the Prime Minister, and that therefore the Government spoke with two voices. In these circumstances it was impossible for me to continue at the head of the Government, and, as General Hertzog proved to be not prepared to resign, nothing else remained for me but to dissolve the Government by my own resignation.

With Parliament meeting at the end of January, it would be gratuitous to attempt to predict the fortunes of the new ministry. It is, however, evident that the position of the Prime Minister will be embarrassed by certain difficulties which are likely to assert themselves. He will meet Parlia-

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ment with three malcontents of prominence sitting on his side of the House. His differences with Mr Merriman have already shown themselves to be acute, but they are discounted by the presence of Mr Sauer on the ministerial bench. Mr Hull and General Herzog, however, are both ex-ministers, have both been jettisoned by the Prime Minister, and are both likely to assert themselves when the opportunity offers. Mr Hull, it is true, is a man without any political following, and the bitterness which he was known to entertain towards the Prime Minister at the end of last session may have been softened during the recess. General Herzog is in a different case. He has a following. How strong that following may be no one yet knows. But he has more than this. He has an intense personal conviction of the rightness of his own political views, an almost religious belief that he has been ordained by Providence as the high priest of the national ideals of his own people. The man who is a fanatic, convinced with the unreasoning zeal of the fanatic of his own consecration to the cause which he has espoused, seldom fails to make his influence felt in any assembly of men. In this lies the strength of General Herzog. But he has much against him. To speak frankly, he is deficient in intellectual ability. His outlook is narrow, his comprehension slow. In humour he is utterly lacking. He has no tact, and the abstruse book of parliamentary strategy is a closed volume to him. He sees, too, his own side of a case so clearly that the brightness of that vision blinds him to the other side. Again, he has in him a strange vein of chivalry, which will hold him back from doing lightly anything which can be represented as likely to harm the cause which is his. And General Botha is still the head of an Afrikander ministry. The hope of General Herzog lies in winning the votes of those who sit on the Government side of the House by his claim to be the champion of the "pure Afrikander." But to realize this hope he must emphasize the breach in the Afrikander party, and to do this may seem to him to be helping the Unionists, representatives of "foreign adventurers" as they appear to

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him to be. And even if he is prepared to sacrifice the unity of the Afrikander people, thus violating the traditions of all his predecessors in political leadership, he will have to convince the men whose votes he may hope to gain that the ideal is worth the sacrifice of the actual tenure of power. The Dutch-speaking South African is a practical man. Years of political predominance have taught him the value of combination for the realization of his aims. To persuade him to follow any leader into the wilderness of political exile will be an unprecedented feat in the art of political propaganda. It may be doubted whether even General Hertzog is the man to attempt, much less to succeed in, such a task. Yet if he does not make the attempt it is difficult to see how he can retain his influence. Again, the Unionists can hardly support General Hertzog against the Prime Minister. To do so would be to stultify themselves in the eyes of their supporters.

No doubt General Botha and his two lieutenants, Mr Sauer and General Smuts, all of them men immensely superior in intellectual ability to General Hertzog, and all easily his masters in parliamentary tactics, rely on all these factors in favour of the new ministry. The adherence of Mr Fischer to the side of General Botha is significant. He has been the close ally of General Hertzog. He must be in a position to estimate the strength of the ex-minister among his own people. That he should join the new ministry shows that he believes that General Botha will be able to maintain his position in Parliament. Yet the fact that there has been an open breach between General Botha and General Hertzog is immensely important. Such a breach must be difficult to heal. Its source is a conflict of ideals. Its opening has been brought about upon the Imperial issue. This division on such an issue cannot fail eventually to cut across the racial enmity which has hitherto, in spite of all efforts to obliterate it, and notwithstanding all attempts to conceal its existence, been the one elemental issue in South African politics. From

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that point of view alone it would be difficult to overstate the importance of the ministerial crisis.\*

### II. THE LABOUR PARTY

MR MERRIMAN'S dictum that "South Africa is a country of samples" applies to its population as well as to its other features, and is reflected in the fact that support for the Labour Party comes from a few industrial districts and not from the country at large. By far the most important of them is the district of the Witwatersrand, followed, but at a considerable distance, by centres such as Pretoria, Kimberley, Durban and Capetown. At the present time the political influence of the party is confined to these centres, and, unless some other sections of the population can be attracted, its growth will be limited by theirs. Within these centres its growth will also probably be circumscribed, for it is felt that the party exists for the artisan rather than for the labourer or unskilled worker. In addition, this latter class, which, owing to the presence of the native labourer, is smaller in proportion to the general population in South Africa than in any other country where a labour party exists, has received no education in labour politics and hitherto has not been in touch with labour movements. A long-continued training will be required before it provides any real accession to the Labour Party's numbers or influence.

Recently a section of the poor Dutch in Johannesburg joined the party, but they took an early opportunity of seceding, putting forward as the reason for this step their

\* For the present at any rate General Botha seems to have secured the support of the majority of the Nationalist party (*vide Times* despatch dated Capetown, February 5). "A caucus of the full Nationalist Party was held here this morning to discuss the situation arising from the differences between General Botha and General Hertzog, and resulted in a large majority against General Hertzog."

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objection to being bound by the decisions of the party caucus. Now, party discipline is certainly not unknown to the South African Dutch; the real reason for their action was much more fundamental, and traceable to the radical differences between their outlook and that of the European-born artisan.

At the present time the Labour Party, which claims to have a paid-up membership of close upon 16,000, appears to be under-represented in Parliament, and it seems probable that at the next general election it will gain several seats on the Witwatersrand, especially east of Johannesburg, and perhaps one or two in Johannesburg itself. Westwards their position is weaker, but the rearrangement of constituencies may give them another seat there. The gain of seats in Durban and in the environs of Capetown is also possible, but increase of their numbers in Parliament by representatives from other centres would, to say the least, seem doubtful. It would therefore appear that the strength of the Labour Party in the Union can be fairly represented by ten or twelve votes in a House of one hundred and twenty-one. This group would form a by no means negligible factor in the debates of the House, and, as they would represent a permanent section of the population permanently established in the constituencies concerned, the continuance of a Labour Party of this size can reasonably be anticipated.

The special South African features of the party platform arise out of the problems connected with the large native and coloured population of the Union,\* and the second of the party's general objects is stated to be "the extension of the field of employment for white persons in South Africa." This they propose to attain by methods common to other labour parties, and, in addition, "by prohibiting the importation of contract labour, white or coloured, and by the abolition of the present indentured labour system."

\*By native is understood a member of one of the aboriginal races of South Africa; by coloured, persons with an admixture of European blood.

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Their native policy aims at:

The separation of the native and white races as far as possible by:

- (1) Separate representation for Kaffirs in separate Advisory Councils (presumably on the Transkei system) and no further extension of the Parliamentary franchise.
- (2) Prohibition of squatting and Kaffir farming and of native ownership of land in areas occupied by whites, and provision of suitable native reserves.
- (3) Prohibition of intermarriage and cohabitation between natives and whites within the Union.
- (4) Proper educational facilities and agricultural training for natives in reserves.
- (5) The development of suitable industries such as cotton and sugar planting in these reserves to be financed out of the proceeds of native taxation, and in this way to provide for natives who in pursuance of the white labour policy may be displaced from the areas occupied by whites.

In their fighting platform their native policy is summed up as "discouragement of native immigration to white centres and encouragement of native progress in native reserves." Clearly this statement of policy, as explained by the means proposed for its adoption, stops short of an open door for native development even in their own reserves, and, if for this reason alone, requires modification to render it practical.

The matters of immediate importance to the party, however, are not these far-reaching problems of native government, but the party's attitude towards the coloured man as distinct from the native. At the present time the party constitution draws no colour line, membership being "open to all adults of either sex who endorse the objects of the party and are accepted by the branch they desire to join."

On this aspect of the colour question the recent party conference in Capetown disclosed a clear conflict of opinion, a number of up-country delegates pressing for the total exclusion of the coloured man from the party, while the cooler heads of the party and the Cape Colony delegates urged the admission of all coloured people who would agree to stand out for the standard rate of wages.

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The debate arose on the report of a committee appointed at the previous annual conference to consider this coloured question, which made the four following recommendations:

- (1) That no proposal for the modification of the laws confining the franchise to Europeans should be considered until such time as our native policy is given effect to.
- (2) That in any industrial legislation affecting wages and conditions of labour white standards should be insisted upon.
- (3) That, with a view to preventing miscegenation, legislation of a most stringent character should be enacted prescribing heavy penalties without distinction of sex for cohabitation of whites with Kaffirs.
- (4) That it is undesirable to admit coloured persons to membership of the party who have not given practical guarantees that they agree to the party's policy of upholding and advancing white standards.

These proposals were put forward in the belief that as time goes on

individuals among the coloured people will gravitate either to the white or the black mass of the population, and those problems presented by the coloured people as such will tend to disappear. With the realization of the first steps of our native policy and the consequent great increase to the white population, the presence of the coloured people as a separate section of the population will have a decreasing power to affect our national development.

Nothing should be done (the report concludes) to attract coloured people to the party at the expense of the white ideals. . . . Any attempt to exclude civilized people merely on account of their colour is unjust and indefensible and even suicidal. Separation from the white race, though most desirable in the case of the natives both in their interest and ours, is an impossible policy in the case of the coloured population, members of which can hardly be distinguished from Europeans.

In the debate that followed the introduction of this report, Mr Creswell, M.L.A., took the line that if the party's native policy were adopted the coloured question would present far fewer difficulties, that the shoe now pinched in the industrial sphere, but that for this the coloured man should not be blamed, as he had been utilized as an advance guard

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of the native mass for the exploitation of labour. He further urged that the aim of the party was to create conditions under which the white man would expand in conformity with the ideals of white civilization, and proceeded:

The riddle of the Sphinx was being propounded in South Africa and that riddle was: Were the white people able to come into contact with a servile race and resist the temptation to which others had succumbed of looking on them as tools to be used for their own benefit, or were they going to govern the country in accordance with their own traditions, depending on themselves for their prosperity? Were they going to look on the coloured man as one to be held down and prevented from absorbing their own ideas, or were they going to afford him opportunities for advancement, enabling him to grow up, become a civilized man and merge in the white race rather than into the black mass?

Mr Creswell was supported by prominent members of the party, but strong opposition was shown to the course recommended in the report, and ultimately the question was shelved, so far as that conference was concerned.

It is a healthy sign that as soon as the labour party comes into contact with one of the most difficult of South African problems, such a report should have been brought forward and its adoption advocated upon the lines followed by Mr Creswell and supported by influential members of the party. Taking his arguments in conjunction with the report, the position assumed with reference to the coloured man as distinct from the native must be regarded as an advance towards the policy advocated by Rhodes of "equal rights for all civilized men," and it is to be hoped that a policy on the lines of the proposals above-mentioned will be adopted.

The party's decision on this point will be a most important one, and upon it will depend the existence of a united labour party in South Africa; for, while the Transvaal trade union branches have so far only admitted persons of European descent to membership, certain Cape Colony branches include a number of coloured members. Like much

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else, therefore, in the political organization of South Africa the future of the Labour Party appears to be in doubt.

It also cannot be contended that this is the only question upon which there is disagreement, for others are bound to arise in the ordinary course of the party's political development. The socialism, for instance, which is laid down as a first principle of the party's existence is not understood or agreed to by all its members, and any attempt to legislate on socialist lines would probably cause disunion. White immigration, another important plank of their platform, as soon as it affected the standard wage—which it must do if carried out on a large scale—would also cause trouble; and in addition to these and similar difficulties which are bound to arise whenever any policy resolved upon by the party comes into conflict with the immediate interests of the trade unions, there is the fundamental difficulty of obtaining a consistent line of action from a combination of bodies whose delegates in conference accept and applaud the statement that they “recognize no leaders of the Labour Party, for they are a democratic party.” This difficulty of organization which affects all labour parties exists in an acute form in South Africa.

At the same time there is much beneficial work which they can do, and only as a united party can they keep before the public of South Africa a phase of opinion and the workers' attitude to social problems which otherwise this sub-continent would be liable to forget. As Mr Creswell put it in his reply to Sir Frederick Smith's speech of welcome:

The party stands not for any particular section of the public but for principles, which, having come certainly from the hard necessities under which the labouring men had found themselves, were nevertheless principles which they believed were calculated to promote the best human interests of all classes of the population.

South Africa, January, 1913.

## NEW ZEALAND

### I. THE MASSEY GOVERNMENT'S FIRST SESSION.

THE fear that the ambiguous verdict of the constituencies at the general election in December, 1911, would afflict our politics with the instability from which the Commonwealth suffered for so long has fortunately not been realized. Though neither Sir Joseph Ward nor Mr Massey could claim a majority of the House that was then elected, and a slightly larger number of members was pledged against the latter than against the former, the retirement of Sir Joseph Ward has, nevertheless, enabled Mr Massey to form a Government which has weathered the dangers of its first session with no great difficulty and bids fair to outlast the term of the present Parliament. This surprising result is due not so much to the discovery of any unexpected merits in Mr Massey or the Reform Party as to the blunders of their opponents. Despite the manifest waning of the country's confidence, the Ward Government held tenaciously to office, but it only succeeded in defeating Mr Massey's no-confidence motion in the special session held in February, 1912, through its leader's undertaking to resign in any event. This promise and the Speaker's casting vote enabled Sir Joseph Ward to retire unbeaten, and to retain the succession for his own party, but the desperate effort to " save face " proved to have cost the party very dear. Bitter and prolonged feuds were developed in the endeavour to find a new leader. The choice ultimately fell upon Mr Thomas Mackenzie, whose cabinet

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did not include a single other member of the late Government and had to face the open hostility of disappointed aspirants and their partisans. When Parliament met in June to decide in the first place the fate of the Mackenzie Government, the mutual recriminations of contending Liberals were far more bitter than their joint attacks upon the then Opposition. The spirit of discord has survived the appointment of the Massey Government. The Liberals in opposition have been unable to select a leader or even to find a tolerably representative committee among whom to put the leadership in commission. Disunion has paralysed the party and tided the Reform Government over initial difficulties which a year ago appeared insuperable.

In the financial statement, delivered by Mr James Allen, as Minister of Finance, on August 6, the Government outlined a programme of financial administration and constitutional reform which made a good impression by its solidity and its courage. The bulk of the programme has still to be realized, but the gap between promise and performance is not wider than is usual in the opening session of a new Government. The crucial test will come next session.

The most important measure passed is the Public Service Act, which transfers a large part of the public service from the control of the cabinet to that of a Commissioner, removable only by the House of Representatives, and two assistant Commissioners. The laudable aim of this measure is declared to be "the destruction of political patronage," and the high character and capacity of the men appointed justify the hope that it may be realized within the limits prescribed by the Act. But the exclusion of the Railways Department from its scope means that a department which is second to none either in size and importance or in its liability to the evils in question is deprived of the benefits of the Act. The boldest of the Government's bills proposes to transform the Legislative Council from a nominated body into one directly elected by the same adult franchise as the Lower House, but from larger districts and by

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proportional representation. This measure has been blocked for the present by the opposition of the Council itself. But the Government's proposals have been affirmed in the House of Representatives by large majorities, and the Governor can hardly refuse to make the new nominations to the Legislative Council which will be needed to ensure the adoption of these proposals by the Council next session.

### II. THE MILITARY TRAINING SCHEME.

THE only matter of wide Imperial interest that formed the subject of legislation during the session was the defence question. On the main point the Government's Defence Bill followed the lines which had been laid down by the two preceding Governments, and were foreshadowed in the December number of *THE ROUND TABLE*. Though the frontal attack on the compulsory principle had manifestly failed at the general election, there was a wide-spread feeling that the scheme would be not weakened but strengthened by providing some less drastic punishment than ordinary imprisonment as the normal alternative to the payment of fines by defaulters. Imprisonment had not been expressly provided by the Legislature in 1909 for the enforcement of the obligation to submit to training, but it followed automatically as an incident of the summary procedure prescribed for the punishment of offenders. By way of justifying his reluctance to send defaulters to gaol, Sir Joseph Ward had urged that Parliament would never have wittingly sanctioned the resort to imprisonment in these cases, and that public opinion would have rebelled against the free use of the power. As to the first point, the ex-Premier is probably right, and as to the second, the Mackenzie Government shared his desire to satisfy the sentiment which objects to the association of youthful defaulters with the gaol taint, by substituting military detention for imprisonment.

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The Defence Bill of the Massey Government adopted this policy, but with an important modification. Military custody is to be the normal punishment for defaulters who fail to pay the fine imposed. But the power of imprisonment is very wisely held in reserve for emergencies. In reply to Sir Joseph Ward's contention that the power should be abolished, Mr James Allen, who is Minister of Defence as well as of Finance, said that he hoped that it might never be used, but that it could not be dispensed with. The cry about "gaoling our boys" has, indeed, been grossly exaggerated by the small but noisy minority opposed to the scheme. There have not been more than fifty cases of imprisonment, although, up to the 31st May, there had been 28,600 Territorials registered and 33,197 Senior Cadets—the number in the former case being 1,520 in excess of those estimated to be liable. If the same firmness that has distinguished the administration in the hands of Mr Myers and Mr Allen had been displayed during its earlier stages, even this tiny proportion of imprisonments to registrations—less than 1 per cent.—might have been reduced. There is little inducement to seek cheap martyrdom in a week's or a fortnight's imprisonment, if it obviously fails either to excite popular sympathy or to embarrass the Government.

The military custody which the new Act empowers the convicting magistrate to impose as the alternative to the fine may be for any period not exceeding twenty-eight days. The custody need not be continuous, but the temporary releases which the officer-in-charge is authorized to allow are not to exceed forty-eight hours at any one time. The idea is to allow the offender to follow his usual occupation but to compel his attendance, with the aid, if necessary, of a constable, at camp or barracks, and there to put him through at least as arduous a course of military training as he would have had to undergo if he had complied with the law in the first instance. In the event of disobedience during custody a further term may be imposed, and the process may apparently be renewed indefinitely. But imprisonment

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will probably be found the most convenient punishment for obdurate defaulters. The Act also arms the authorities with power to attach the salary or wages of any defaulter in payment of his fine—a power which in the case of strikers who have violated the law has been found more effective than attachment of the person.

The exclusion of the junior cadets from the Defence Scheme is another important change effected by the Act. As the age of these cadets is from twelve to fourteen years, the determination to minimize the military element in their training and to confine it almost entirely to physical drill met with no serious opposition. Though nominally included in the Defence Scheme the junior cadets were, in fact, hardly a part of it, having always by a strange anomaly remained under the jurisdiction of the Education Department with a Commandant of their own. The more logical solution now adopted was recommended by the Mackenzie Government, and is approved by public opinion no less than by the military authorities.

The general effect of the Defence Amendment Act, 1912, is to strengthen materially the hands of the administration, although during the period of uncertainty which followed the general election a serious weakening was feared. But even more encouraging than the Act itself is the evidence furnished by the debates in both Houses that the compulsory principle has practically passed beyond the range of controversy. In neither House was the principle seriously challenged; the nearest approach to such a challenge was an amendment moved in the House of Representatives for the exemption of conscientious objectors from military duties, and this was rejected by forty-four votes to ten. Yet even the mover of this amendment proposed to find equally irksome non-military tasks for these objectors, and declared that his object was to safeguard the training scheme and not to injure it. Whatever may be said or hoped elsewhere, nobody in New Zealand doubts that compulsory training has come to stay.

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### III. THE WAIHI STRIKE.

THE unique origin of the miners' strike at Waihi in a struggle between rival Labour Unions was described in the September number of *THE ROUND TABLE*. It has also proved unique among New Zealand strikes in its duration, which exceeded six months (May 15–November 30), and in the remarkable manner of its conclusion. The cause of the strike was such that compromise proved to be out of the question. The Waihi Miners' Union, which is affiliated to the New Zealand Federation of Labour, a revolutionary Socialist organization, and is not registered under the Industrial Conciliation and Arbitration Act, called out its members and brought the mines to a standstill because an Engine-drivers' and Winders' Union had been formed by some of its former members and registered under the Act. The negotiations for a settlement proved abortive, because the miners declined to work with the members of what they termed a "Scab" Union, and the employers naturally refused to discriminate against a Union which by virtue of its registration was, unlike the Miners' Union, able to make an agreement capable, when filed in the Arbitration Court, of being enforced as an award of the Court. Both sides settled down accordingly to a waiting game. The strikers, being at first in a large majority, had for some months something like full control of the town. Though little was done in the way of actual violence, an elaborate system of intimidation, boycotting, hustling and abuse was established, which rendered the position of the minority so intolerable that, after the strike had lasted nearly four months, the Government was unable to resist the appeal for increased police protection. The vigilance of the police did a good deal to mitigate the persecution. The chief result of a series of prosecutions was that some seventy strikers elected to go to gaol rather than find sureties

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to keep the peace. The attempt to arrange a twenty-four hours' strike in other parts of the country by way of protest against these imprisonments met with but little success. In the House the attacks made upon the Government for its action in the matter by certain members of the Opposition were equally unsuccessful. The Minister of Justice replied with unanswerable logic that the strikers held the key of their own prison, since they could all find the necessary sureties if they chose.

On October 2 the mines were re-opened with "free labour," as it is called in this country. This does not mean non-union labour. All the men at first taken on, as well as those engaged since, are members of a new Union registered under the Arbitration Act; but they are free from the domination of the Federation of Labour. The police had so much difficulty in getting the men past the crowds of strikers that after the first day the expedient was adopted of driving them to and from the mines in brakes accompanied by a mounted escort. Every day the workers had to run the gauntlet of a hostile demonstration in which the women-folk of the strikers played a prominent part. It is surely a testimony to the essentially law-abiding character of our people that these tactics should have been repeated day after day for five weeks with but few actual breaches of the peace. But as the number of the Arbitration workers grew, their patience declined. On November 11 a *mélée* occurred in which the Federationists were very roughly handled. On the 12th, as the procession of workers was passing the Miners' Union Hall on its way to the mines, the usual cries of "Scab" from a group of strikers led to an exchange of blows. A rush for the Hall, to which some of them had retreated, followed, and shots were fired from within, one of which slightly injured a worker. A subsequent shot, fired as the occupants retreated, seriously wounded a constable, who felled his assailant with a blow which resulted fatally a few days later. The use of firearms so enraged the Arbitrationists that a wild chase followed, in which the

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police had much difficulty in saving the other guilty parties from summary vengeance.

Later in the day the first general meeting of the new Union crowded the Hall, which had remained in their possession since its capture in the morning. At this meeting a resolution was unanimously passed that fifty-five of the most aggressive Federationists should be given forty-eight hours' notice to leave the town "or take the consequences." These notices were duly served, and, before the stated time had expired, all the persons notified and many more partisans of the Federation had left Waihi, the exodus being increased by the action of the Federation itself in withdrawing its men with the apparent object of exaggerating the intimidation practised by the other side. On November 14—exactly six months since the beginning of the strike—it was officially reported that order had been fully restored in the town, and the Minister of Justice expressed himself satisfied that the trouble was over. Recognizing that the game was up, all the imprisoned strikers elected on the same day to come out of gaol. On November 15 the workers were able to go to and from the mines without the assistance of brakemen or policemen; and by the 30th even the Federation of Labour had to acknowledge that the strike was off.

The experience has been a remarkable one, and is full of instruction. To the revolutionaries it may serve as a salutary reminder that physical force is a two-edged weapon and cannot be monopolized by the enemies of society. For the present their discomfiture and discredit appear to be complete. The first-fruits of the fiasco at Waihi are to be seen at Huntly, the chief coal-mining centre of the North Island, where the Taupiri Coal Company, about three-fourths of whose employees belong to the Federation, has decided to give higher wages and better terms to the members of a union recently formed under the Arbitration Act, and to require all future employees to join that union. The Federationists at Huntly have replied by deciding to join the union *en masse*, in the hope of controlling it. This

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their numbers would apparently enable them to do, but the provision in the union's agreement with the company that no strike shall be declared without a secret ballot of the union is expected to limit their powers of mischief.

The Massey Government has gained much credit by the firmness with which it faced the position at Waihi while the issue was still doubtful, and by the impartiality with which it has prosecuted the peace-breakers on both sides. But the apparent acquiescence of the Government in the action of the Arbitrationists at Waihi in constituting themselves a sort of Committee of Public Safety and quietly proclaiming and enforcing the expulsion of their opponents is quite insufficiently justified by the statement of the Minister of Justice that he cannot proceed upon newspaper reports. If these things are not in his official reports they ought to be.

## IV. NAVAL POLICY

**I**N the neglect of Imperial affairs the new Parliament and the new Government has followed only too closely in the steps of its predecessors. The difficulties of a Government which (after its party has been for more than twenty years in opposition) has to face Parliament with an arduous domestic programme almost immediately after being sworn in must, of course, be allowed for. Individually, the Imperial sympathies of Ministers are beyond suspicion, but the collective result so far has been almost a blank. No pronouncement of policy in regard to naval defence and Imperial Union has been volunteered; and various questions relating to representation on the Committee of Imperial Defence and co-operation with Australia have been met with the stereotyped reply that they would be considered during the recess. Now that the recess has arrived, the Government considers that, as the Minister of Defence has

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to be in London, mainly on a financial mission, early in 1913, the expression of its own views had better be postponed until he has interviewed the Imperial Defence Committee and ascertained theirs.

If the Minister of Defence had a free hand in the matter, the country would probably be committed without hesitation to a definite forward move. His address to the Navy League Conference on September 24 is the only notable Ministerial utterance on Imperial affairs that we have had since Sir Joseph Ward astonished us by the sudden development of his views on Imperial Federation in his speech at Sydney eighteen months earlier. Lord Islington, whose keen and sympathetic interest in all Imperial and domestic questions has made his premature resignation of the Governorship a matter for universal regret, preceded Mr Allen with a speech in which the broader aspects of Imperial defence were very happily sketched. After expressing a doubt whether the taxpayers of Great Britain could continue indefinitely to bear their present disproportionate share of the burden of Empire, His Excellency proceeded to touch the root of the matter:

I would venture to say to you, gentlemen, as delegates of the Navy League, that I hope that in the not very distant future the self-governing Dominions will assume full statutory partnership in the responsibilities and obligations as well as the privileges and advantages of Empire. I hope the time is very near for a modification of existing relations between the Mother Country and the Dominions, which would provide for the admission of the peoples of the overseas Dominions and possessions to a common citizenship of an Imperial character with an adequate measure of representation in an Imperial Council.

Mr Allen supplemented these general remarks with a reference to the immediate outlook in the Pacific. "As a New Zealander," he said, "I cannot take my mind away from the responsibilities in the Pacific Ocean. With these always in view, centralization in European waters is not all that a New Zealander can desire, and personally I look for-

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ward with some fear and alarm to such an isolation in the Pacific." Mr Allen proceeded as follows:

So long as the British fleet remained in command of European waters there was no danger to the eastern shores of Canada, but no arrangement could be satisfactory to those living in the Pacific unless the British fleet commanded the Pacific as it commanded the Atlantic seas. He did not think what had taken place in regard to the China unit was satisfactory to New Zealand. No self-respecting New Zealander could put up for any length of time with the position they would find existing in the course of a few months in New Zealand waters. That the Mother Country should send her battle-cruisers and cruisers and submarines here and pay for them was more than any self-respecting New Zealander could permit. He thought that one of the New Zealand harbours should be made safe as a naval station. Personally he regretted that the offer made by Australia to train New Zealand officers in their Naval College had not been accepted. He hoped the offer would not be declined if it were made again. They could not divorce themselves from Australia from a defence point of view. They should accept the hand of comradeship when it was offered, provided the Australian conception of defence realized that Australasia was only a part of a great whole. New Zealand could not stand aloof. The country realized the necessity for paying for its naval as well as its military defence. He regretted that the Minister of Defence, and indeed the whole Cabinet, was not more closely in touch with naval matters.

With regard to the proposed inclusion of New Zealand in the China Station and to the injury conveyed to a New Zealander's self-respect by the dependence of his country upon a navy provided and maintained by others, the Minister speaks for us all. In his advocacy of co-operation with Australia in her naval venture he speaks for a number which is steadily growing, but cannot yet be said to form a majority.

At the Imperial Conference of 1907 Sir Joseph Ward accurately represented New Zealand opinion when he championed a single undivided Imperial Navy against the Australian idea. But his recent arguments on the same lines have revealed a considerable division of opinion on the subject. Even among those who would like to see the Admiralty's control of the local units automatic and

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absolute in time of emergency, the idea is gaining ground that it is only through the sense of local proprietorship and the responsibilities of local management that the necessary knowledge will be gained by the Dominion and the necessary stimulus imparted to their national spirit to make them face the sacrifices that will be needed to organize the great Imperial Navy that is to be. According to this theory, the local idea is not, as we once regarded it, a step towards disintegration, but a stepping-stone towards that higher unity which can only be achieved and maintained by a vital activity in all the parts.

If, however, New Zealand is to adopt the local principle at all, she is plainly too small to do it on her own account. Co-operation with Australia, as favoured by our Minister of Defence and by a New Zealand writer in *THE ROUND TABLE* for September, 1912, would therefore seem to be the only practicable course. So far, however, there cannot be said to be any strong set of public opinion in this direction. Public opinion is waiting for a lead, but nobody seems ready to give one. The task has not been rendered any easier by Australia's apparent lack of eagerness to be represented on the Imperial Defence Committee.

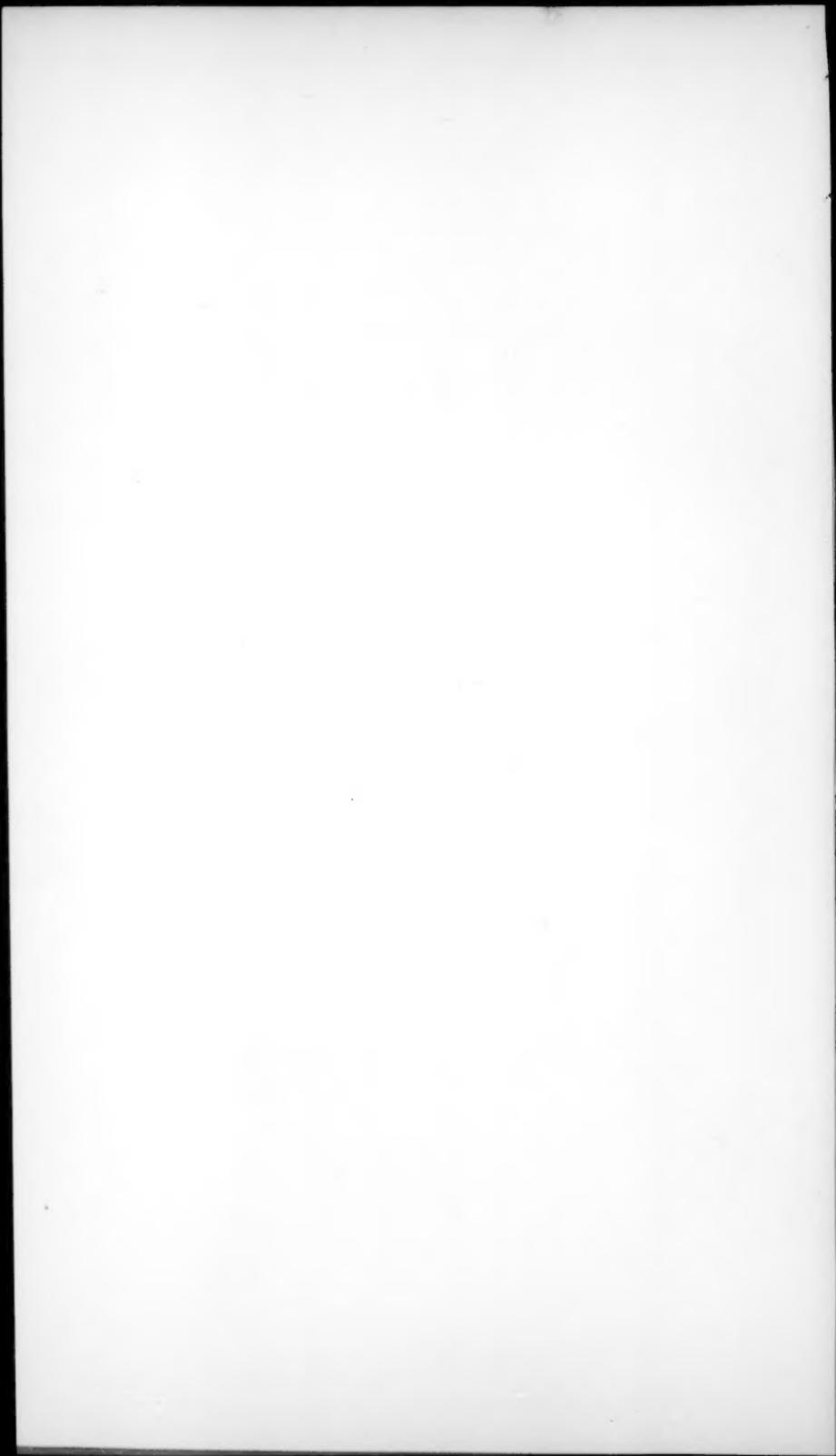
The banquet given to the Minister of Defence by the two citizens' defence organizations of Wellington—the Military Training Committee and the Navy League—on the eve of his departure for England (December 11) failed to draw any definite declaration regarding the Government's naval policy; but both the Premier and his colleague took the opportunity of saying some interesting things. Mr Massey repeated a previous declaration in favour of more frequent Imperial Conferences to be held occasionally in one of the oversea Dominions, admitted that New Zealand had not yet done her duty in the matter of naval defence, and expressed the opinion that Mr Allen would be able, in consultation with the British Government, to come to an arrangement which the New Zealand Government would ratify. Owing to the indecision of his colleagues, the

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Minister of Defence was unable to repeat his plea for naval co-operation with Australia. He contented himself with a general reference to the Pacific Fleet of the future, which will be built and maintained by Canada, Australia and New Zealand, with some help from India and South Africa, and put in a salutary word on the limitations of the local principle which he had previously advocated as preferable to cash contributions to the Admiralty. "It was useless," he said, "to build up a local navy for local purposes, and Australia must realize this. A certain number of ships must be retained for coastal defence, but if the fleet was to be effective, the fighting section of it must be under one control."

The other important point made by Mr Allen was the necessity for an expeditionary force as a part of our contribution to Imperial Defence. "The Government hoped," he said, "to have the organization completed in the course of a few months"; and he mentioned 8,000 or 10,000 men as the force that New Zealand should provide. Though it cannot be said that the announcement has excited any general enthusiasm, the significant thing is that it has not been strongly resented. Ten years ago Mr Seddon stood almost alone in the Imperial Conference of 1902 in advocating it.

New Zealand, December, 1912.



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